Eastern Health

2022 2023

Annual Performance Report

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MESSAGE FROM THE BOARD OF TRUSTEES

With the full endorsement of the Board of Trustees, it is my pleasure to submit Eastern Health's 2022-23 Annual Report on Performance, which was developed inclusive of supporting the healthcare needs of all people in Newfoundland and Labrador. This report not only concludes Eastern Health's 2020-23 Strategic Plan, **Putting Excellence into Action**, but also marks the final Annual Report from Eastern Health as a category one entity within the province's **Transparency and Accountability Act**. Our Board of Trustees is accountable for the results reported in this document, which highlights the progress made towards achieving the goals and objectives outlined in Eastern Health's Strategic Plan.

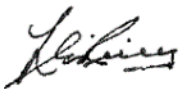
The 2020-23 strategic planning cycle was unlike any faced to date, marked with unanticipated challenges, service disruptions, and an announcement to transition from five existing organizations to one provincial structure as envisioned by Health Accord NL. With unexpected service disruptions from the COVID-19 pandemic which resulted in global staffing shortages, and a privacy breach as a result of the cyber-attack that impacted health-care information technology (IT) systems across the province, we credit our compassionate and dedicated employees, physicians, volunteers, and community partners for coming together and continuing to ensure quality care was delivered to our patients, clients, and residents. During this time of challenge and transition, this unwavering commitment has enabled us to keep our eye on advancing organizational priorities, as outlined in our Strategic Plan.

As Newfoundland and Labrador Health Services (NL Health Services) begins its journey to transform our health system, the new organization will continue to build and adapt existing programs, services, and partnerships for the benefit of patients, clients, and long-term care residents. As we shift to an integrated provincial health authority, there are further opportunities to collaborate, share, and enhance the experiences

of the people in our province - no matter where or how they access health-care services.

The Board of Trustees would like to extend our sincerest gratitude to our employees, physicians, volunteers, and community partners who have played a pivotal role in the organization through both our triumphs and our tribulations.

As you navigate the path forward, we encourage you to continue exhibiting your ongoing dedication to excellence in care, innovation, and education. I also want to express sincere thanks to our trustees who have given freely of their time and talents and shared their experiences and knowledge of good governance to ensure that our health-care system has achieved its strategic goals and objectives. Working in concert with the executive team, we have demonstrated that collaboration and a focus on continuous improvement have been hallmarks of our organizational success. Personally, it has been a distinct and treasured privilege to be part of our team.



Mr. Leslie O'Reilly
Chair, Board of Trustees, Eastern Health

BOARD OF TRUSTEES

Eastern Health is governed by a voluntary Board of Trustees, all of whom are accomplished individuals from a wide range of backgrounds. Below is Eastern Health's Board of Trustees for the 2022-23 fiscal year.

Leslie O'Reilly, Chair

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EXECUTIVE TEAM

Below is Eastern Health's executive team for the 2022-23 fiscal year.

Kenneth (Ken) Baird, President and Chief Executive Officer (Interim)

Scott Bishop, Vice President

Dr. Gena Bugden, Vice President

Dr. Greg Browne, Chief of Staff

Ron Johnson, Vice President

Lynette Oates, Chief Communications Officer

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Debbie Walsh, Vice President

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EASTERN HEALTH REGION

The Eastern Regional Health Authority (Eastern Health) is Newfoundland and Labrador's (NL) largest regional integrated health authority, providing a full continuum of health and community services, including public health, long-term care and acute (hospital) care. Please visit **easternhealth.ca/about-us/** for more information on Eastern Health's mandate and lines of business.

Approximate budget of **$1.7 billion**

Total number of employees: **13,778**

Approximately **313,000** individuals reside in the Eastern Health region

Reached approximately **510,000** individuals when including tertiary level programs, and services to the people of Saint-Pierre-et-Miquelon

453 volunteers (16,196 hours)

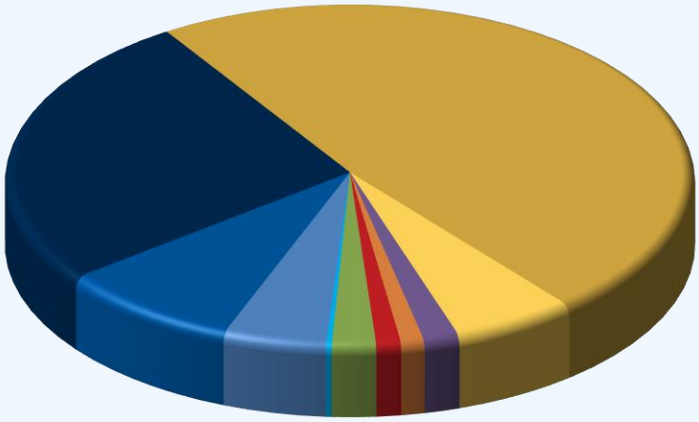
4133[1] students

732 physicians

(420 fee for service; 88 APP and 224 salaried)

[1] There were 24 paid students that were recruited through job competitions. An additional 4109 students completed 2010 unpaid student placements. Student placement count includes both individual and group placements.

Figure 1: Eastern Health Employees by Classification[2]



	Management	668	4.85%
	Allied Health Professionals (AAHP & NAPE HP)	1,186	8.61%
	RNUNL	3,615	26.24%
	Hospital Support (NAPE & CUPE)	6,648	48.25%
	Laboratory & X-Ray Professionals (NAPE LX)	801	5.81%
	Management Support (Non-Bargaining)	230	1.67%
	Clinical Clerks	150	1.09%
	Salaried Medical	160	1.16%
	Residents (PARNL)	283	2.05%
	Special Contract	37	0.27%
	Total	**13,778**	**100.00%**

[2] Acronyms included in the graph are as follows: AAHP: Association of Allied Health Professionals; CUPE: Canadian Union of Public Employees; NAPE: Newfoundland and Labrador Association of Public and Private Employees; NAPE LX: Laboratory and X-Ray; NAPE HP: Health Professionals; RNUNL: Registered Nurses' Union Newfoundland and Labrador; PARNL: Professional Association of Residents of Newfoundland and Labrador.

The Region

Eastern Health comprises the portion of the province east of (and including) Port Blandford. The region encompasses an area of 21,000 km^2, spanning the entire Burin, Bonavista, and Avalon Peninsulas. The map in Figure 2 (below) indicates the communities in the eastern region.

Figure 2: Communities with Health-care Sites

Vision

Eastern Health's vision is **Healthy People, Healthy Communities.** This vision is based on the understanding that both the individual and the community have important roles to play in maintaining good health. We work with the communities we serve, and partner with others who share a commitment to improving health and well-being, to help us achieve this vision.

Values

Eastern Health's core values guide the behaviour of all individuals in the organization as they provide services and interact with others. As the organization grows and evolves, so too should the principles that it stands for. Eastern Health's core values were updated during this planning cycle to better reflect the views shared by its employees, physicians, and the public.

Accountability

Be responsible. Take ownership. Serve with integrity. Be able to explain our actions.

Caring

Show kindness. Be compassionate. Be understanding. Commit to people-centred care.

Collaboration

Be a team player. Connect across programs. Engage with communities. Value everyone's contribution.

Excellence

Go above and beyond. Support and promote innovation. Strive for greatness.

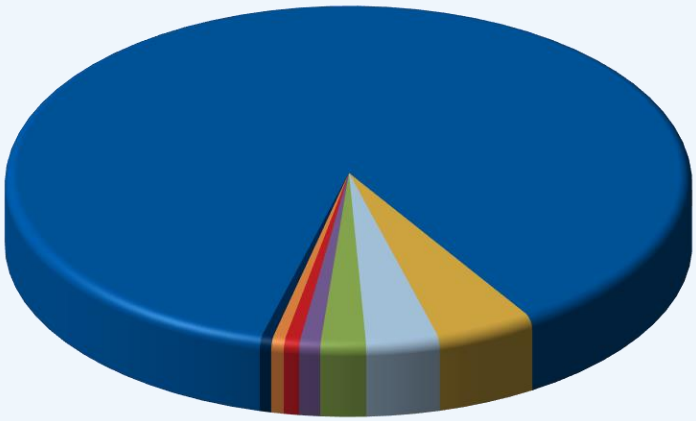
Respect

Be considerate. Recognize and celebrate diversity. Treat everyone equitably.

Revenues and Expenditures

The figure below shows Eastern Health's operating revenue and expenditures for 2022-23. See Appendix III for audited financial statements in full detail.

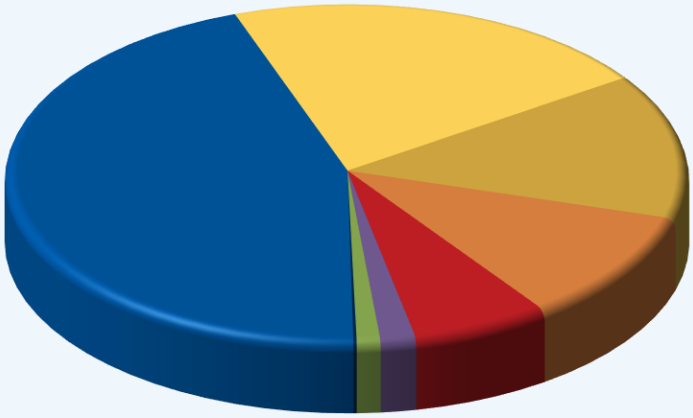
Figure 3: Eastern Health's Operating Revenue for 2022-23



Provincial Plan	$1,512,846,000
Medical Care Plan	$81,899,000
Other[3]	$60,117,000
Provincial Plan Capital Grant	$37,070,000
Resident	$17,110,000
Inpatient	$12,518,000
Outpatient	$10,296,000
Other Capital Contributions	$9,455,000
	$1,741,311,000

[3] Other revenue includes various recoveries, rebates, investment income and parking revenue that would not be included in the other identified revenue categories.

Figure 3: Eastern Health's Expenditures by Sector for 2022-23



Acute Care	$814,557,000
Community	$383,439,000
Support[4]	$253,646,000
Long-Term Care	$194,248,000
Administration[5]	$119,198,000
Amortization of Tangible Capital Assets	$30,361,000
Research and Education	$20,361,000
Employee Future Benefits	($2,784,000)
	$1,813,026,000

[4] The Support sector includes non-clinical areas such as Facilities Management, Food Services and Housekeeping that provide support to clinical areas.

[5] The Administration sector is responsible for the overall administration of the health service organization, including planning, organizing, directing and controlling the organization's services. Specific areas within this sector include Human Resources, Finance and Budgeting, Materials Management, Executive Offices, Emergency Preparedness and other administration.

HIGHLIGHTS AND PARTNERSHIPS

Eastern Health has benefitted from the enormous efforts of its many partners in helping to achieve its mandate and strategic priorities. The following section outlines some of the highlights and partnerships from the 2022-23 fiscal year.

Launched a Healthy Food Policy

Eastern Health launched its Healthy Food Policy for Retail in June 2022, with the goal of implementing the policy across the region over the next three years. The policy focuses on offering food and beverages consistent with **Canada's Food Guide** and applies to all cafeterias, canteens, vending machines and gift shops/auxiliaries in Eastern Health facilities. As a health-care organization, Eastern Health has a lead role to play in promoting initiatives that will have positive impacts on the health and well-being of the population.

The development of this policy is based on the latest evidence and research. It was led by a regional committee with representation from various disciplines and program areas across the organization, and aligns closely with the health authority's priority areas of Population Health and Healthy Workplace, included in the organization's *Strategic Plan for 2020-23, Putting Excellence into Action*.

Opened First Clinical Research Satellite Site

Eastern Health's first Clinical Research Satellite Site opened in Grand Falls-Windsor in June 2022. The site is among the first of its kind in the country and is an excellent example of a strategic partnership that benefits patients through the decentralization of clinical trials.

Eastern Health was selected as one of three Canadian Remote Access Framework for Clinical Trials (CRAFT) proof-of-concept sites in Canada to

receive project support and funding from the Canadian Cancer Clinical Trials Network (3CTN). Eastern Health's first Clinical Research Satellite Site is the result of a partnership with the Town of Grand Falls-Windsor, Central Health, the Canadian Partnership Against Cancer, and Health Canada.

The clinic will serve as a satellite site working to decentralize clinical trials, making it possible for more patients from Central Newfoundland to be enrolled. For example, the PRIME clinical trial, which is being run out of the Dr. H. Bliss Murphy Cancer Centre in St. John's, will be offered through the satellite site allowing patients who qualify for this trial to attend the Grand Falls-Windsor clinic for physical assessments, bloodwork, and other follow-up care. This will eliminate the need to travel to St. John's while maintaining access to the study physician via Telehealth appointments.

Launched 2022 Community Health Survey

Eastern Health, in partnership with the Newfoundland and Labrador Statistics Agency (NLSA), launched its 2022 community health survey in July. This survey is a part of the organization's Community Health Assessment, an ongoing process undertaken to understand the health, strengths and needs of the overall population and communities served to provide important information to help plan health services.

Residents across the Eastern Health region were randomly selected to receive an invite to complete the survey. The information gathered from the public plays a critical role in helping to improve care, deliver services, and enhance the overall health of the population.

Implemented a Pilot Project to Improve Health Care for Cardiac Patients

In partnership with the provincial government, Eastern Health implemented a pilot project aiming to improve access to health care for cardiac patients in Newfoundland and Labrador in January 2023.

The innovative approach allows patients from other regions of the province, who require cardiac catheterization procedures only offered in

the St. John's region, to access them via a same-day fly-in/fly-out service. Completing the procedure and supporting patients to return to their region that same day not only addresses the waiting list for cardiac catheterizations in the province, but also frees up beds for other patients. This innovative solution decreases travel expenses for families and/or support persons who would ordinarily have to stay in the St. John's region as well.

Announced New Cardiovascular and Stroke Institute

In partnership with the Government of Newfoundland and Labrador and the Newfoundland and Labrador Construction Association, Eastern Health announced plans for the construction of a new Cardiovascular and Stroke Institute located at the Health Sciences Centre. The Cardiovascular and Stroke Institute aligns with Health Accord NL's recommendation to create a cardiac centre of excellence to provide an organized hub of tertiary services enabling equitable access to cardiac care.

The new facility, aimed at the prevention and management of cardiac and cerebrovascular disease, will provide enhanced cardiac, vascular, and stroke services and other clinical services. It will create a modern working environment and will increase the number of operating rooms and inpatient beds at the Health Sciences Centre.

Implemented a Rapid Digital Manufacturing Solution to Help Build Supply Chain Resilience, Decrease Procurement Costs, and Enhance Patient Care

The COVID-19 pandemic exposed major vulnerabilities and uncertainties in global supply chains and manufacturing systems. These uncertainties were especially prevalent for health-care organizations across the country facing increased challenges with product availability, supply chain disruption, and administrative burdens associated with procurement. Additionally, equipment and service availability can impact patient care and result in financial costs for replacement medical devices and parts.

Following a successful commercialization project funded by the Coordinated Accessible National (CAN) Health Network, Eastern Health in March 2023 announced its procurement of PolyUnity Tech Inc's (PolyUnity) 3D printing solution for three years to help build supply chain

resilience, decrease procurement costs, and enhance patient care. PolyUnity is a Newfoundland and Labrador-based company that leverages digital manufacturing to build supply chain resiliency and reduce the cost, time and complexity of traditional health-care procurement.

The i3D.Health library is accessible via the internet and the product can be printed anywhere there is internet access and a 3D printer. Through its work with PolyUnity, Eastern Health's innovation team has validated over $320,000 in value delivered, including $100,000 in cost savings from reduced equipment downtime and a reduction in procurement, inventory, shipping, and distribution costs, and has reduced its distance between manufacturing site to composition site to less than 300 kilometres.

REPORT ON PERFORMANCE

The following section outlines the progress made during 2022-23 towards Eastern Health's goals and objectives in its 2020-2023 Strategic Plan, **Putting Excellence in Action**.

The presented update is based on each of the five priority areas and their key performance indicators. Appendix I provides additional information on the methodology of each indicator. Eastern Health is working to achieve its objectives over all three fiscal years from 2020-23. To support this work, the organization prepares action plans each year that aim to make progress on each indicator in the Eastern Health Operational Plan.

Priority Area

1

Access

Improving access is not just about decreasing wait times, it is about having the right intervention for the right client at the right time and place. Throughout this plan the organization has been exploring innovative, alternative methods of delivering care to overcome access barriers that were posed by COVID-19, as well as ongoing barriers faced by the region such as geographic dispersion and an increase in service demand.

GOAL

By March 31, 2023, Eastern Health will have improved access to services in identified program areas.

OBJECTIVES

1. **Improved access to primary health care**
2. **Improved access to mental health and addictions services**
3. **Helped seniors stay healthy and independent at home for as long as possible**
4. **Delivered acute care and tertiary-level services efficiently**

1 Improved access to primary health care

Primary health care is typically an individual's first point of contact with the health-care system and can encompass a range of community-based services essential to maintaining and improving health and well-being throughout an individual's lifespan. Success on this objective was determined by increased attachment to a primary health-care provider, better management of chronic disease with a focus on chronic obstructive pulmonary disease (COPD), increased use of virtual care, and increased patient and provider satisfaction with alternative methods of delivering primary health care.

INDICATOR

Increased attachment to a primary healthcare provider

Primary health care is known to keep individuals, families, and communities healthy, and when working effectively, can prevent the need for investments in more costly interventions such as surgeries, increased medication usage, and hospitalization. This indicator is measured by the percentage of MCP registrants who are **not attached** to a general practitioner (GP).

What did we do during 2022-23?

- Continued implementation and expansion of primary health-care initiatives such as Family Care Teams (formerly called Collaborative Team Clinics) in St. John's, the United Shores Health Centre hub and spoke model, and the Refugee Health Collaborative.[6] [7]

[6] The hub-and-spoke model is a method of organization involving the establishment of a main hub, which houses the most intensive medical services, complemented by smaller satellite clinics or spokes, which offer an array of services where healthcare needs are addressed locally.

[7] Refugee Health Collaborative is in the process of being integrated into the Family Care Team model. Refugee clients are attached to the Family Care Team closest to where

Improved access for vulnerable populations by centralizing the downtown collaborative team and expanding programs for harm reduction.

- Implemented a collaborative team in the Conception Bay North (CBN) region with a hub of services in Carbonear, currently provided by a nurse practitioner (NP), licensed practical nurse (LPN), and clerical support.
- Implemented urgent care in Whitbourne and successfully recruited a part-time NP to increase attachment to a primary health care provider in Whitbourne.
- Expanded attachment to primary health care through public-private partnerships by integrating social work, nursing, and physiotherapy into private community family practice.
- Developed a change management strategy for relational continuity for public, provider, and primary health care team education.
- Conducted a regional environmental scan to determine baseline attachment data and benchmark for continuous quality improvement.

How did we perform?

Despite efforts to improve attachment to a primary health-care provider, the percentage of MCP registrants attached to a GP **decreased** in 2022-23 in comparison to the year prior.

- 24.0% of MCP registrants were **not** attached to a GP in 2022-23 compared to 21.6% in 2021-22.

A significant barrier to success on this indicator involved the closure of several large fee-for-service clinics.

they live to receive longitudinal care. The refugee population are identified as priority 1 in Patient Connect NL and are onboarded within one week of registration. As part of this model, Eastern Health worked closely with community partners, including the Association for New Canadians, to ensure a holistic health model. While Eastern Health provided clinical services, the Association works with refugees to address the social determinants of health, such as housing support and addressing food security issues.

INDICATOR

Better management of chronic disease with a focus on COPD

Hospitalizations for ambulatory care sensitive conditions (ACSC) represent an indirect measure of access to primary health-care services and capacity of the health system to manage chronic conditions such as COPD, within community care settings. Appropriate ambulatory care should reduce or prevent the need for admission to hospital.

What did we do during 2022-23?

- Continued use of Remote Patient Monitoring (RPM) as a tool to implement the INSPIRED8 program to areas outside of the metro catchment area.
- Continued implementation of the Comprehensive Respiratory Care Program.
- Continued integration of Chronic Disease Prevention and Management programs into primary health care through the expansion of the BETTER program9 and Intensive Case Management at United Shores Health Centre in Holyrood.
- Continued participation in a BETTER virtual study with Memorial University's Primary Health Care Research team at United Shores Health Centre and Family Care Teams in the metro area.
- Continued the process of conducting spirometry and education for patients with COPD and asthma through the community-based Comprehensive Respiratory Care Program.
- Continued expansion of the scope of the community registered respiratory therapists (RRTs) to encompass idiopathic pulmonary

[8] INSPIRED stands for **I**mplementing a **N**ovel and **S**upportive **P**rogram of **I**ndividualized care for patients and families living with **RE**spiratory **D**isease. It is a hospital-to-home model of care that provides specialized support for patients living with moderate-to-severe COPD and their families to enhance their confidence to manage the disease.

[9] The BETTER Program is an evidence-based approach to chronic disease prevention and screening, focusing on cancer, diabetes, cardiovascular disease and their associated lifestyle factors.

fibrosis and interstitial lung disease as components of the Comprehensive Respiratory Care Program

- Fostered the “Virtual Care Together” partnership with Healthcare Excellence Canada and the Remote Patient Monitoring program to improve screening and management of hypertension in primary health care settings.
- Continued implementation of the “nurse-first” pilot project of a comprehensive health assessment, incorporating the social determinants of health, for patients attached to established Family Care Teams for improved prevention, screening, and management of chronic disease/ACSC.
- Continued implementation of the Practice 360 initiative10 in Electronic Medical Record (EMR) for standardized clinical best-practice guidelines/templates for care and management of diabetes and COPD. Expanded attachment to primary health care through public-private partnerships by integrating social work, nursing, and physiotherapy into private community family practice.
- Developed a change management strategy for relational continuity for public, provider, and primary health care team education.
- Conducted a regional environmental scan to determine baseline attachment data and benchmark for continuous quality improvement.

How did we perform?

Eastern Health saw an **increase** in the rate of hospitalizations for COPD in 2022-23.

- The average rate of acute care hospitalizations for COPD (per 100,000 population aged 0-74 years) was 37.3 in 2022-23, which is

[10] Practice 360 is an eDOCSNL initiative designed to increase clinical value and practice efficiencies in the EMR for providers in Newfoundland and Labrador. It leverages the intelligent and standardized features of the EMR to support and evaluate guidelines based and preventive care, presenting providers with the information they need for best practice decision making. Data provided by the EMR through the Practice 360 tools enables the evaluation and refinement of guidelines and supports health system changes.

an increase from 24.7 in 2021-21. Additional data to support this indicator include:

- 77 patients were enrolled in the INSPIRED COPD outreach program and 400 patients have been seen at the Comprehensive Respiratory Education clinic. Of the 165 patients who were assessed at CREC for inhaler technique, 87% were using their inhalers incorrectly.
- Out of the 400 patients seen at CREC, 265 received a spirometry test.
- Six months post intervention: INSPIRED program participants saw a 77% reduction in emergency department visits, 81% reduction in admissions to hospital, and 73% reduction in the number of days the participants occupied hospital beds.
- Twelve months post intervention: INSPIRED program participants saw a 73% reduction in emergency department visits, 79% reduction in admissions to hospital, and 69% reduction in the number of days participants occupied hospital beds.
- A significant barrier to the success of this work was the location of CREC in Holyrood. As patients often found it difficult to travel the distance, the team adapted by offering clinics in the metro area, as well as rural areas of the region.

INDICATOR

Increased utilization of virtual care

Virtual care is used to support increased access to patient-centred primary care. As a result of the COVID-19 pandemic, adoption of virtual care strategies became important, as it allowed patients to stay at home while practicing social distancing or self-isolation. However, there are times when providers may need, or prefer, to see a patient in person (and vice versa). Therefore, the goal is to use virtual care only when deemed appropriate.

What did we do during 2022-23?

- Continued use of Remote Patient Monitoring (RPM) as a tool to implement the INSPIRED program in the entire Eastern Health region.
- Continued work with Newfoundland and Labrador Centre for Health Information (NLCHI) to implement the electronic medical record (EMR) for all Eastern Health's primary health-care practitioners.
- Continued implementation of the Newtopia diabetes management program. Newtopia is a virtual, personalized, one-on-one coaching tool to improve health and reduce the risk factors and complications associated with diabetes.
- Ongoing process improvement initiatives with the EMR team and Family Practice Renewal Program including coordination of care at the Family Care Team Clinic West.

How did we perform?

The percentage of primary care visits delivered through virtual care **increased** from 4.9% in 2019-20 to 35.7% in 2022-23. The goal is to virtually manage 35% to 55% of primary care visits with the patient given the opportunity to choose their preferred location.

INDICATOR

Increased patient and provider satisfaction with alternative methods of delivering primary health care

Eastern Health is striving to increase satisfaction with primary health care where work to provide alternative methods of care delivery is ongoing. Specifically, success on this indicator will be measured by the evaluation of Eastern Health's first Family Care Team.

What did we do during 2022-23?

- Expanded the Family Care Team Model with the opening of two additional clinics and expanded the teams in Southern Avalon (United Shores Health Centre) as well as CBN.

- Completed the evaluation of the first Family Care Team to assess outcomes, including patient and staff satisfaction.
- Implemented educational tools on collaborative team-based care and the Hub and Spoke Model and continued work with the Department of Health and Community Services (DHCS) to develop a public engagement campaign.
- Expanded the Harm Reduction team services to include screening and treatment for hepatitis C.
- Expanded the community walk-in clinic on Mundy Pond Road, St John's by doubling the capacity and better meeting the needs of attached and unattached patients from across the region.

How did we perform?

Based on Eastern Health's evaluation of the first Family Care Team Clinic, patient and provider satisfaction was measured for the 2022-23 fiscal year.

- Patient: 92.9% of respondents rated their overall care at the Family Care Team Clinic as great (8 or above on a scale of 1-10).
- Provider: 85.7% of providers at the Family Care Team Clinic agreed or strongly agreed that they 'have good job satisfaction'.

2 Improved access to mental health and addictions services

Eastern Health's Mental Health and Addictions Program continues to receive a high volume of new referrals for service. Success on this objective was determined by decreased wait times for outpatient child psychiatry, outpatient adult psychiatry, and child and adolescent counselling services. Eastern Health continued focus on targeted process improvements, continued implementation of the Stepped Care Model and increased use of e-mental health options.[11]

Of note, Doorways walk-in counselling appointments are not included in these wait-times, as a referral for service is not required.

INDICATOR

Decreased wait times for outpatient child psychiatry

Children and youth who experience mental health issues face unique challenges. Working collaboratively with parents and caregivers as partners in the treatment is essential. Early intervention and support of healthy emotional and social development lays the foundation for mental health and resilience throughout life. The organization continues work to develop, implement, and evaluate process improvements to reduce wait times for incoming referrals to child psychiatry. Wait times for outpatient child psychiatry are measured by the percentage of new referrals seen by child psychiatry within their access target.

What did we do during 2022-23?

- Continued use of virtual care with child/adolescent psychiatrists, as appropriate.

[11] Stepped Care is a model that focuses on linking an individual with the level of support needed and any given time. It uses a 'wrap-around' approach to ensure physical, social and mental health needs are met. It is flexible in that the level of support changes in response to an individual's need (i.e., 'stepping up' or 'stepping down' as needs change).

- Continued work to implement the Child and Adolescent Psychiatry Waitlist Management Strategy.
- Continued work to develop and implement the Stepped Care Model.
- Applied a Lean Management philosophy in working through position turnover and vacancy issues, and a continued intake of provincial referrals.

How did we perform?

The percentage of new referrals seen by child psychiatry within their access target increased in 2022-23, indicating a **decrease** in wait times.

- The percentage of new referrals seen by child psychiatry within their access target was 46.3% in 2022-23, which was an increase from 45.5% in 2021-22. Since 2020, the number of children and adolescents waiting has significantly reduced from 338 to 75. It is important to note that since this time, the catchment area for referrals has expanded from regional to provincial.

INDICATOR

Decreased wait times for outpatient adult psychiatry

It is estimated that one in five of us will experience a mental health or addictions issue in our lifetime. Eastern Health continues work to develop, implement, and evaluate process improvements to reduce wait times for incoming referrals to adult psychiatry. Wait times for outpatient adult psychiatry is measured by the percentage of new referrals seen by adult psychiatry within their access target.

What did we do during 2022-23?

- Continued use of virtual care with all psychiatrists having the technology needed to provide virtual care through their practice and while on call.
- Continued work to implement the Adult Psychiatry Waitlist Management Strategy.
- Continued work to implement the Stepped Care Model.

How did we perform?

The percentage of new referrals seen by adult psychiatry within their access target increased from the year prior, indicating a **decrease** in wait times.

- The percentage of new referrals seen by adult psychiatry within their access target was 69.1% in 2022-23, which was an increase from 50.5% in 2021-22.
- For Adult Psychiatry in St. John's, the number of people waiting has reduced from 1,218 individuals in March 2020 to 102 in April 2023.

INDICATOR

Decreased wait times for child and adolescent counselling services

The Mental Health Commission of Canada reports that more than two-thirds of young adults living with a mental health problem or illness report that their symptoms first appeared when they were children. Eastern Health continues work to develop, implement, and evaluate process improvements to reduce wait times for incoming referrals to child and adolescent counselling. Wait times for child and adolescent counselling is measured by the percentage of new referrals seen by child and adolescent counselling within their access target.

What did we do during 2022-23?

- Continued work to implement the Child and Adolescent Counselling Waitlist Management Strategy.
- Enhanced use of virtual care, thereby improving access to appointments through home-based telehealth.
- Further implementation of group-based interventions.
- Strengthened focus on e-mental health services (i.e., Strongest Families Institute).

How did we perform?

The percentage of new referrals seen by child and adolescent counselling services within their access target increased in comparison to the previous year, indicating a **decrease** in wait times.

- The percentage of new referrals seen by child and adolescent counselling services within their access target was 31.4% in 2022-23, which is an increase from the 26.7% in 2021-22.The percentage of new referrals seen by adult psychiatry within their access target was 69.1% in 2022-23, which was an increase from 50.5% in 2021-22.
- For Adult Psychiatry in St. John's, the number of people waiting has reduced from 1,218 individuals in March 2020 to 102 in April 2023.

3 Helped seniors stay healthy and independent at home for as long as possible

Success on this objective was determined by increased number of seniors with an annual assessment and support plan completed.

INDICATOR

Increased number of seniors with an annual assessment completed

A comprehensive assessment of client needs, functioning and quality of life can enhance clinical decision making, safe care, and support clients to age-in-place. A Resident Assessment Instrument – Home Care (RAI-HC) assessment is recommended annually for all clients receiving case management or continuous home support services, and with every clinically meaningful change in a client's care arrangements and/or health status.

What did we do during 2022-23?

- Continued process improvement initiatives to understand demand, capacity, and standardized data collection processes.

- Continued to support and promote the use of virtual visits.
- Continued education and mentoring in the completion of the Resident Assessment Instrument-Home Care (RAI-HC) tool.

How did we perform?

The number of seniors with an annual assessment completed **decreased** during 2022-23.

- The percentage of clients aged 65 and older who are currently receiving home support services and have an up-to-date annual RAI-HC assessment on file at the time of reporting was 73.9% at the end of 2022-23, in comparison to 77.9% at the end of 2021-22.
- The number of seniors accessing home support continues to grow such that demand for case management outweighs clinician capacity.

INDICATOR

Increased number of seniors with a support plan completed

Having a client-centred care plan enhances clinical decision making and supports clients to age-in-place. All clients receiving case management or continuous home support services should have an up-to-date support plan attached to their client file. The support plan should be updated annually and with every clinically meaningful change in a client's care arrangements and/or health status.

What did we do during 2022-23?

- Continued education and mentoring on use of the electronic support plan and quality planning.

How did we perform?

Eastern Health **decreased** the number of seniors with a support plan completed during 2022-23.

- The percentage of clients aged 65 and older who are currently receiving home support services and have an up-to-date support

plan on file was 27.1% at the end of 2022-23, in comparison to 40.2% at the end of 2021-22.

- The number of seniors accessing home support continues to grow such that demand for case management outweighs clinician capacity.

4 Delivered acute care and tertiary-level services efficiently

Success on this objective was determined by decreased Alternate Level of Care (ALC) days in acute care, decreased length of stay for typical acute care inpatients, and resumption of services to volumes appropriate for the current COVID-19 alert level with established backlog plan.

INDICATOR

Decreased length of stay for typical acute care inpatients

Length of stay (LOS) is calculated as the total number of days a patient is in the hospital over the expected number of days, in comparison to similar cases across Canada. Any value above 100 per cent indicates patients have stayed longer than expected. This measure helps us to understand how efficiently acute care beds are utilized in the hospital. Furthermore, unnecessary days in the hospital may lead to patient complications (e.g., health-care-associated infections, falls) and increased costs.

What did we do during 2022-23?

- Continued to develop and/or implement a broad array of interventions aiming to reduce length of stay. Some examples include continued collaboration with the Medicine Program, Older Adult Care, Community Supports and other support programs to

remove barriers to discharge and continued patient education in colostomy care.

- Continued work on patient-centred pathways using the top five Case Mix Groups for medicine admissions.[12]
- Implemented Standard Operating Procedures for improved program-based huddles to facilitate earlier discharge planning and reporting on expected date of discharge (EDD).
- Implemented the "All Roads Lead to Rehab" stroke pathway to reduce LOS in acute care.

How did we perform?

Length of stay **increased** in 2022-23 in comparison to 2021-22.

- The total number of days patients stayed in hospital over the expected number of days was 115.9 in 2022-23, compared to 110.8 in 2021-22.
- LOS is variable across sites within Eastern Health. Some of the smaller sites are more sensitive to outliers, thereby impacting the overall LOS for the region. Work is ongoing to target sites with the highest LOS with continued focus on acute standards/pathways.

INDICATOR

Decreased Alternate Level of Care (ALC) days in acute care

Alternate Level of Care (ALC) refers to patients who are in hospital even though they no longer need hospital care. Beds occupied by ALC patients are not available to other patients who need hospital care. High ALC rates indicate that patients are not being cared for in an ideal setting (such as their home, assisted living or residential care) and can contribute to congested emergency departments and surgery cancellations.

[12] Case mix groups are used as a way of grouping together hospital patients with similar clinical characteristics. Patients in the same case mix group will typically require comparable amounts of hospital services and can be used to estimate resource use and cost associated with each patient population served.

What did we do during 2022-23?

- Continued implementation of the Short Stay Program as a process to support Personal Care Home placement.
- Opened an Integrated Operations Centre (IOC) to support a process for timely interfacility transfers with ongoing planning with Paramedicine and other support/clinical programs.
- Established a data monitoring process and planning group with Community Supports, Long-term Care, and Emergency Services to enhance care in community emergency departments.

How did we perform?

Eastern Health realized an **increase** in ALC days in acute care in 2022-23.

- The percentage of ALC days for acute inpatient care as a per cent of total patient days stayed increased from 14.2% in 2021-22 to 16.0% in 2022-23.
- There is variability across sites in ALC rates as a result of varied patient populations and reasons for admission. Improvements are underway to target areas with higher volumes of ALC patients and work is ongoing to understand the patterns associated with ALC.

INDICATOR

Resumption of services to volumes appropriate for the current COVID-19 alert level with established backlog plan

Eastern Health's top priority during the COVID-19 pandemic was to deliver safe patient care and to resume to service volumes appropriate for the current COVID-19 alert levels at any given time.[13]

What did we do during 2022-23?

- All services resumed normal operational levels in 2022-23.

[13] Key services: outpatient laboratory services, medical imaging, endoscopy, perioperative procedures, cardiac catheterization and cardiac diagnostic testing.

- Recruitment efforts, including agency nursing, are ongoing.

How did we perform?

- In 2022-23, the volume of services delivered each month was, on average, 6.5% lower than what was expected given the safety protocols, service restrictions, and social distancing measures in place.
- The lower volume can be contributed to continued bed closures in the Medicine and Surgery programs associated with gaps in staffing.

DISCUSSION OF RESULTS

- Over the last three years, improving access to services and providing alternative methods of care was never more important. As the organization navigated unchartered territory through a global pandemic in 2020, followed by a cyber-attack in 2021, disruption to services became more frequent. Eastern Health quickly adapted to and enhanced opportunities to deliver care virtually. The percentage of virtual primary care visits increased substantially during the pandemic and continues to remain an option for patients when appropriate. Virtual care not only provided a means to care during COVID-19 outbreaks, but it also continues to increase ease of access for those with mobility issues or for those who would otherwise have to travel. Unfortunately, retention and recruitment challenges persist and access to a general practitioner (GP) continues to be impacted. Nonetheless, attaching patients to a primary care provider continues to be a priority and expansion of Family Care Teams continues across the region, with ongoing work to develop measures and monitor success.
- All three areas of Mental Health and Addictions services saw a decrease in wait times in 2022-23. At the same time, Eastern Health successfully continued work to decrease the number of people waiting for these services.

- It is important that the seniors we serve stay healthy and independent at home for as long as possible. Unfortunately, in 2022-23, Eastern Health saw a decrease in the number of seniors with annual assessments and support plans completed. As our aging population continues to increase, the number of individuals accessing home support grows, which further increases demand for these services.

Priority Area

2

Quality & Safety

Quality and Safety is an integral priority for Eastern Health that is consistently woven throughout the entire organization. Eastern Health strives toward building a culture that encourages respectful, compassionate, culturally appropriate, and competent care. The organization remains focused on delivering safe and effective care by seeking ways to improve standards and processes, as well as facilitating communication and collaboration among employees and physicians.

GOAL

By March 31, 2023, Eastern Health will have improved outcomes and client experiences by focusing actions and resources on excellence in care.

OBJECTIVES

1. **Fostered a culture of safety and reduced the risk of harm**
2. **Engaged clients and families in service and care planning and delivery to ensure that their needs, values, beliefs and preferences were respected**
3. **Facilitated communication and collaboration among employees and physicians to ensure the delivery of safe and effective care**

1 Fostered a culture of safety and reduced the risk of harm

Success on this objective was determined by an improvement in Hospital Standardized Mortality Ratio (HSMR), increased medication reconciliation compliance rates, reduced potentially inappropriate use of antipsychotics in long-term care, and improvement in clinical transitions in care.

INDICATOR

Improved Hospital Standardized Mortality Ratio (HSMR)

HSMR measures whether the number of deaths at a hospital are higher, lower, or equal to what is expected based on the average experience of Canadian hospitals. When tracked over time, the HSMR ratio indicates whether hospitals have been successful in reducing patient deaths and improving care. Values greater than 100 indicate that the hospital had more deaths among applicable inpatient cases than would be expected, given the characteristics of the hospital's patient population.

What did we do during 2022-23?

- Developed a dashboard that provides a comprehensive overview of data contributing to the overall HSMR score. The dashboard will be valuable in identifying pressure points and monitoring the impact of standardized changes being implemented.
- Allocated a dedicated position to focus on quality initiatives, as well as the implementation and monitoring of coding and abstracting standards. This ensures consistency and accuracy in the data and timely communication with healthcare providers and program leadership.
- Continued a pan-Canadian review to determine approaches used to review charts and resolve discrepancies.

- Updated education material for healthcare providers that provides linkages between coding and abstracting, clinical documentation and HSMR scores.

How did we perform?

HSMR **decreased** in 2022-23.

- The HSMR ratio for 2022-23 was 125 in comparison to 134 in 2021-22.

INDICATOR

Increased medication reconciliation (MedRec) compliance rates

Medication reconciliation (MedRec) is a process that supports the communication of accurate and complete medication information among health-care providers at all points of transition in care with the goal of preventing adverse drug events and patient harm. Success criteria for assessing the MedRec process include ensuring that the Best Possible Medication History (BPMH[14]) is collected at admission, BPMH is collected from patients/families and one other reliable source of information, BPMH is compared to admitting orders, and medication discrepancies are identified and resolved.

What did we do during 2022-23?

- Completed education and rollout of Medication Reconciliation Hybrid Admission/order forms on the medicine units at the Health Sciences Centre.
- Completed education and began rollout of Medication Reconciliation Hybrid Admission/order forms in pre-admission clinic, surgery, cardiac/critical care, and women's health units at the Health Sciences Centre.
- Trained transitional nurses to complete BPMH and MedRec in the Emergency Department of the Health Sciences Centre.

[14] BPMH is a comprehensive medication history that includes drug name, dosage, route and frequency.

- Finalizing work and education of the Medication Reconciliation Transfer and discharge order forms and planning roll-out for early Fall 2023.
- Continued work and planning to have Medication Reconciliation Hybrid Admission/order forms and Medication Reconciliation Transfer and discharge order forms rolled out across the eastern region or admitted patients by fall 2023.

How did we perform?

Medication reconciliation compliance **decreased** slightly in the past fiscal year.

- The overall percentage of MedRec compliance (acute care inpatient units) in 2022-23 decreased to 81.5%, in comparison to 82.2% in 2021-22.

January 2023 experienced a rate of 72% compliance, the lowest compliance rate of the fiscal year. This outlier month impacted the overall rate and resulted in a slight decrease in the organizational average. Areas of low compliance indicated factors such as increased acuity and documentation issues as barriers to success. Implementation of the best possible medication history and the MedRec process in emergency departments throughout the region has begun and this initiative should help improve MedRec compliance.

INDICATOR

Reduced potentially inappropriate use of antipsychotics in long-term care

Long-term care (LTC) homes across the country are working to reduce the inappropriate prescribing of antipsychotics. In seniors, antipsychotic medications are commonly used to manage the distressing behavioural and psychological symptoms of dementia (BPSD). Antipsychotics are appropriate and effective for relieving some symptoms, such as extreme agitation and aggression, but not for others such as wandering, hoarding, or repeated vocalizations. The goal is to ensure that

antipsychotics in LTC are being used for the right symptoms, at the right dose, and only for as long as needed.

What did we do during 2022-23?

- Continued to provide staff education on the Gentle Persuasive Approach (GPA).
- Developed and/or revised policies and guidelines to support informed practice in dementia care.
- Continued monitoring antipsychotic use in each LTC facility.
- Implemented care facilitator positions at some LTC facilities with a vision to spread across all urban and rural LTC sites.

How did we perform?

Potentially inappropriate prescribing of antipsychotics **increased** in 2022-23.

- The percentage of LTC residents prescribed antipsychotics without a corresponding diagnosis of psychosis increased from 25.4% in 2021- 22 to 28.3% in 2022-23.

Barriers to success include: a slow return of volunteer services since the lifting of pandemic restrictions; Infection Prevention and Control (IPAC) measures that require residents to isolate; staff shortages and retention issues, which also impact GPA education opportunities; limitation of private rooms in some of the smaller facilities; increase in resident acuity and comorbidities which increases BPSD; and, increased rate of resident admissions to LTC already prescribed antipsychotics.

INDICATOR

Improved clinical transitions in care

Auditing clinical care transition documentation through the electronic health record allows the organization to assess care elements most at risk for patient safety incidents during care transitions, transitional junctions across the care continuum, and communication tools used during care transitions. Examples of transitions in care include admission from the emergency department to acute care, inter-unit transfers, and discharge from hospital to residential care.

What did we do during 2022-23?

- Continued use of the standardized auditing tool for the assessment of clinical care transitions.
- Completed a pilot to audit clinical care transitions across 12 emergency departments.
- Planned for the rollout of audit implementation of clinical transitions in care practices within cardiac and critical care programs.

How did we perform?

Although the percentage decreased, clinical transitions in care remained above the program's identified target during the 2022-23 fiscal year.

- Percentage of audits that included the occurrence of recommended transition activity was 86.7% in 2022-23, in comparison to 89.0% for 2021-22.

2 Engaged clients and families in service and care planning and delivery to ensure that their needs, values, beliefs and preferences were respected

Eastern Health is committed to Client-and-Family-Centred Care (CFCC), ensuring that patients, clients, residents, and families have a voice to become active partners in the delivery of health care within our region. Success on this objective was determined by improved client experience, increased meaningful involvement of client and family advisors, as well as families.

INDICATOR

Improved client experience

The Experience of Care Survey collects information from patients, clients, residents, and/or family members on their experiences of the services they have received. The survey is a structured way of asking the people we serve how we are doing in areas such as respect, communication, and comfort. Measuring client experience is a very important part of client and family-centred care. Eastern Health uses the information collected to make improvements to services, safety, and care.

What did we do during 2022-23?

- Completed Experience of Care Surveys in the Community Supports (Home Support) Program.
- Met with stakeholders to explore options for further experience of care surveying in outpatient and inpatient settings. For example, Eastern Health partnered with NLCHI to pilot the Canadian Patient Experiences Survey-Inpatient Care (CPES-IC) at St. Clare's Mercy Hospital and Carbonear General Hospital.

How did we perform?

- The percentage of clients who rated their care received through Eastern Health as high quality (eight or above on a scale of 0 to 10)

was 96.1% in the Community Supports (Home Support) Program, which is the highest rating given out of the three program areas surveyed during the last three years.

INDICATOR

Increased meaningful involvement of client and family advisors

Client and family advisors work with Eastern Health staff to help us make better decisions, shape policy, enhance programs and improve day-to-day person-centred interaction. This indicator reflects client and family advisor perception of whether their involvement in Eastern Health activities was meaningful.

What did we do during 2022-23?

- Analyzed and reported on the survey to client and family advisors measuring meaningful engagement.
- Continued action-oriented improvement activities to support meaningful client and family advisor engagement such as implementation of an engagement policy, resource updates to support feedback loops in engagement planning, education, and preparation for both staff and advisors, and supporting the matching of advisors to their advisory role.
- Continued advisor recruitment. There are currently 80 advisors, eight established advisory councils, advisor engagement in initiatives (e.g., process improvements, focus groups, disclosure process, accreditation teams, Just Culture, quality committees), and one CFCC Steering Committee.
- Developed a CFCC video and Year in Review Impact Report, available on the Eastern Health website: **https://www.easternhealth.ca/prc/your-say/client-and-family-advisors/**

How did we perform?

The percentage of respondents scoring an average of four or above on questions related to meaningful involvement on the Client and Family Advisor Questionnaire **increased** in the last fiscal year.

- The percentage increased from 59.4% in 2021-22 to 65.1% in 2022-23.

INDICATOR

Increased meaningful involvement of families

Research demonstrates that the presence and participation of one's family as essential partners in care enhances the client and family experience of care, improves safety, and facilitates continuity of care. It is important for clients to experience the support of family and friends to the degree they wish. This indicator reflects whether family members and/or support people were involved in decisions about their care.

What did we do during 2022-23?

- Completed Experience of Care Surveys in the Community Supports (Home Support) Program.
- Continued support for the presence of family/ support persons in all areas of care.

How did we perform?

- The percentage of clients who reported family members and/or support persons were 'always involved' in decisions about their care was 86.7% for the Community Supports (Home Support) Program.

3 Facilitated communication and collaboration among employees and physicians to ensure the delivery of safe and effective care

Success on this objective was determined by the increased number of teams using visual management in their improvement huddles.

INDICATOR

Increased number of teams using visual management in their improvement huddles

Eastern Health remains focused on seeking ways to improve standards and processes for delivering high-quality care. Daily visual management tools help Eastern Health staff monitor safety, performance standards and improvement projects. This indicator reports the number of teams actively using visual management in their improvement huddles.[15]

What did we do during 2022-23?

- Initiated the use of visual management in improvement huddles with select teams.
- Carried out workshops and other improvement initiatives.
- Implemented the Mental Health and Addictions Lean Management System.

How did we perform?

- Eastern Health **increased** the number of teams using visual management from a baseline of zero at the beginning of 2020-21, to nine teams in 2021-22, to a total of ten teams in 2022-23.

[15] An improvement huddle is a short, stand-up meeting that is ideally used once at the start of each workday in a clinical setting and the start of each major shift in inpatient units. The huddle gives teams a way to actively manage quality and safety, including a review of important standard work such as checklists. Often, standard work will be the output of previous quality improvement projects, and huddles provide a venue to ensure process improvements are sustained. Huddles enable teams to look back to review performance and to look ahead to flag concerns proactively.

DISCUSSION OF RESULTS

- Over the last three years, Eastern Health continued to work to improve the quality and safety of care delivered by the organization. As such, safety-related indicators were monitored regularly and client perceptions of its service and care delivery continued to be assessed.
- With regard to safety-related indicators, HSMR improved in 2022-23. However, to continue a path to meet the national benchmark, an evaluation framework to determine the impact of efforts to improve HSMR and the overall accuracy of the score will assist in understanding what initiatives have been most effective in supporting this improvement.
- In 2022-23, Eastern Health administered the Experience of Care Survey to the Community Supports (Home Support) Program and received positive results. These survey results were shared with the programs to enable client experiences to be considered in program planning and process improvements. As client and family engagement started to return to normal operations, the percentage of advisors who reported their advisory work to be meaningful increased in 2022-23. Eastern Health has actively worked to ensure its client and family advisors are engaged and continues to use survey results to support discussions.

Priority Area

3

Population Health

Population health aims to improve the health and well-being of whole populations, reduce inequities among specific population groups and address the needs of the most disadvantaged. Effective population health requires community, intersectoral and whole-of-government engagement and collaboration to address the broad range of determinants that shape health and well-being. This has been particularly evident during the COVID-19 pandemic.

GOAL

By March 31, 2023, Eastern Health will have improved health outcomes and reduced health inequities in the populations it serves.

OBJECTIVES

1. **Embedded smoking cessation within clinical practice to ensure smoking cessation efforts were coordinated, systemized and integrated into all health-care settings within Eastern Health**
2. **Strengthened the systems that support public health and well-being**
3. **Partnered intersectorally to secure increased investments in population health**

1 Embedded smoking cessation within clinical practice to ensure smoking cessation efforts were coordinated, systemized and integrated into all healthcare settings within Eastern Health

Tobacco remains the number one preventable risk factor for poor health and premature death in Canada. Hospitalization provides a unique opportunity to initiate comprehensive tobacco cessation treatment. Success on this objective was determined by increased reach of the Ottawa Model of Smoking Cessation program.

INDICATOR

Increased reach of smoking cessation program

The Ottawa Model of Smoking Cessation (OMSC) program is a patient-centred, change management approach to integrating nicotine addiction treatment interventions within existing health-care practices. The OMSC program was launched at St. Clare's on November 27, 2019, with the intent being to offer the program to all inpatients who identified as a smoker.

What did we do during 2022-23?

- Participated in the Connect research project with the University of Ottawa Heart Institute.
- Expanded to offer OMSC in the following outpatient programs: Total Joint Assessment Clinic, Bariatric Surgery Program, and Cardiac Surgery Triage Waitlist.
- Implemented OMSC at the Family Care Team Clinic – St. John's Centre.
- Continued to offer OMSC at St. Clare's Mercy Hospital and at the Comprehensive Respiratory Program.
- Through funding provided by the Connect research project, offered quit cards ($150 retail value) to patients enrolled in the OMSC follow-up program to redeem at local pharmacies for nicotine replacement therapy (NRT) or oral cessation medications.

- Continued to build capacity to provide smoking cessation follow-up and support to patients enrolled in the program for six months through the Tobacco Hub.

How did we perform?

In 2022-23, Eastern Health decreased its reach of the smoking cessation program.

- The estimated percentage of hospitalized smokers who received smoking cessation services at St. Clare's Mercy Hospital decreased from 25.0% in 2021-22 to 7.3% in 2022-23.
- Human resources have continued to be a challenge for the OMSC program, including interruptions with the coordinator position. While the process to refer patients who smoke to the OMSC program is working well, the process to enroll the patients in the program has been impacted. For example, at St. Clare's Mercy Hospital, pharmacists have responsibility for completing bedside smoking cessation consults for all new admissions. Over the past year, staffing challenges in the Pharmacy Department have resulted in an inability to complete these consults.

2 Strengthened the systems that support public health and well-being

Eastern Health recognizes that a long-term vision and innovative solutions are required to strengthen the systems that support the health of the population. Success on this objective was determined by the percentage of the Public Health e-health digital innovation strategy implemented.

INDICATOR

Increased percentage of the Public Health e-health digital innovation strategy implemented

Eastern Health is working to advance e-health and digital services to ensure improved access to health information to better serve clients and communities, and in turn, improve population health. Eastern Health's E-health Digital Innovation Strategy outlines nine initiatives to be implemented across the 2020-23 strategic planning cycle.

What did we do during 2022-23?

- Begun all nine initiatives outlined in the E-health Digital Innovation Strategy.
- Continued to improve access to health information through availability of self-scheduling of appointments for flu and COVID-19 vaccines at mass clinics, enhanced use of EMR to obtain vaccine consent, enhanced use of virtual meeting technologies among clients and partners, and further enhancements of the Health Information (HI) website.[16]

How did we perform?

Eastern Health saw an **increase** in progress of the Public Health E-health Digital Innovation Strategy implemented during the 2022-23 fiscal year.

- In 2022-23, the completion rate remained at three out of nine initiatives (33.3%) and all nine were initiated.

3 Partnered intersectorally to secure increased investments in population health

Eastern Health recognizes that population health is a shared responsibility and continues to benefit from the expertise of its existing community partners and stakeholders. Success on this objective was determined by developing, expanding, and strengthening mutually beneficial partnerships supporting population health.

[16] HI is Eastern Health's Health Information website which houses information on a wide range of health and wellness topics for all ages.

INDICATOR

Increased collaboration with partners on population health initiatives

Eastern Health aims to support investment in population health initiatives through increased community, intersectoral, and whole-of-government collaboration. Throughout the 2020-23 strategic planning cycle, Eastern Health intends to implement five collaborative initiatives aimed to improve the health and well-being of the population, reduce inequities among and between specific population groups, and address the needs of the most disadvantaged.

What did we do during 2022-23?

- Begun all five collaborative initiatives planned throughout the 2020-23 strategic planning cycle. These included:
  - Implementation of Population Health Learning Series
  - Hosting of virtual Healthy Communities/Cities Forum with Eastern Health employees
  - Implementation of phase 1 of Healthy Food Policy for Retail
  - Awarding of contract to complete artificial intelligence as part of HI website
  - Implementation of Healthy Communities Partnership Fund
- Completed two unplanned initiatives in addition to the five originally planned, forging collaborations specific to the COVID-19 pandemic response. This included tremendous collaborations to enable outbreak management, disease surveillance, COVID-19 testing, as well as vaccination planning and roll-out.

How did we perform?

In 2022-23, Eastern Health **increased** collaboration with partners on population health initiatives.

- Five out of five targeted initiatives have been initiated and two unplanned initiatives were completed in 2022-23.

DISCUSSION OF RESULTS

- Eastern Health is continuously striving to improve the health and well-being of the population and to advance health equity in the region. However, overall success on the identified indicators was greatly impacted in the last three years as public health led the response to the COVID-19 pandemic and vaccination rollout.
- Despite this, the organization was able to advance work associated with Eastern Health's E-health Digital Innovation Strategy, as well as increase the number of collaborations with partners on population health initiatives.
- The OMSC model encountered many resource challenges over the past three years, with interruptions with the smoking coordinator position and resources challenges with the Pharmacy Department. Unfortunately, this impacted success on this indicator for 2022-23; however, implementation and expansion of the OMSC program continues.

Priority Area

4

Healthy Workplace

Eastern Health's greatest resource is its people: the employees, physicians and volunteers who are dedicated to client care. Research provides a strong rationale for investing in employee and workplace health, as they are "inextricably linked to productivity, high performance and success."[17] Eastern Health continues to implement the National Standard of Canada for Psychological Health and Safety in the Workplace[18] and strives to provide the resources and support necessary to promote diversity and inclusion, achieve personal safety and wellness, professional growth, and excellence.

GOAL

By March 31, 2023, Eastern Health will have created a healthier workplace.

OBJECTIVES

1. **Improved the physical and psychological health and safety of employees, physicians and volunteers**

[17] Macleod and Shamian, 2013, **www.longwoods.com/content/23355**

[18] www.mentalhealthcommission.ca/English/what-we-do/workplace/national-standard

1 Improved the physical and psychological health and safety of employees, physicians and volunteers

The physical and psychological health and safety of employees, physicians, and volunteers is always at the forefront of organizational planning. Success on this objective was determined by decreased employee lost time injuries, increased support for psychological self-care, improved psychological job fit, increased civility and respect, increased clarity of leadership and expectations, and increased protection of physical safety.

INDICATOR

Decreased employee lost time injuries

Health-care workers regularly face risks of injuries while at work. Some of the areas of greatest risk for staff include incidents related to manual materials handling (MMH); violence, aggression, and responsive behaviour (VARB); slips, trips, and falls (STF); and safe patient and resident handling (SPRH). Eastern Health has placed considerable focus on preventing these types of injuries to ensure workplaces are safe for staff and patients.

What did we do during 2022-23?

- Continued implementation of STF prevention initiatives, such as the launch of a Fall Awareness Campaign.
- Completed onboarding of MMH Program in all Compass Management Support services departments (Food Services, Environmental Services, and Portering), engaged and collaborated with Workplace NL to implement the MMH Program in all faith-based homes, including the development of additional education tools.
- To target SPRH, 27 ceiling lifts were installed at eight LTC sites, additional education tools were developed, and a process was implemented to monitor SPRH incident statistics and updates/reminders.

- Implemented VARB awareness and de-escalation/prevention training and continued to conduct and review VARB risk assessments with programs to identify risks associated with VARB and implement controls to reduce risks.

How did we perform?

Employee lost time injuries stayed the same during the last fiscal year.

- The average bi-weekly rate of employee injuries (per 1,000 employees) was 2.0 in 2022-23, which is the same as what was reported in 2021-22.

INDICATORS

- **Increased support for psychological self-care**
- **Improved psychological job fit**
- **Increased civility and respect**
- **Increased clarity of leadership and expectations**
- **Increased protection of physical safety**

Eastern Health has strived to provide its employees, physicians, and volunteers with the resources and support necessary to achieve personal wellness, professional growth, and excellence. There are 15 psychosocial factors assessed by the National Standard of Canada for Psychological Health and Safety in the Workplace. Eastern Health selected five of the 15 psychosocial factors as indicators for the 2020-23 strategic planning cycle. The above five indicators are all measured by the Caring for Healthcare Workers Survey.

Eastern Health saw a decrease in all five psychosocial factors in 2020-23. During the past year, it was noted from interactions with staff members across the organization that post-pandemic fatigue was prevalent. There was also uncertainty with pending health system changes. In addition to human resource challenges and pressures,

these factors impacted the way the workforce engaged with supportive programs and services.

Increased support for psychological self-care

What did we do during 2022-23?

- Continued to implement and evaluate psychological health and safety self-care tools including the Employee Virtual Assistant (EVA), Rapid Response Team, and Peer Support Program.
- Introduced Psychological Safety Leader opportunities.
- Continued to provide training programs to support staff wellness (e.g., Psychological First Aid and Before Operational Stress).
- Began to incorporate psychological self-care into recruitment of management positions and introduced coaching skills program for managers.

How did we perform?

Psychological self-care **decreased** in 2022-23.

- The percentage of employee respondents who scored high on survey items related to psychological self-care was 16.9% in 2022-23, in comparison to 18.2% in 2021-22.

Improved psychological job fit

What did we do during 2022-23?

- Continued to incorporate psychological job-fit into recruitment and selection processes.

How did we perform?

Psychological job fit **decreased** in 2022-23.

- The percentage of employee respondents who scored high on survey items related to psychological job fit was 12.8% in 2022-23, in comparison to 13.7% in 2021-22.

Increased civility and respect

What did we do during 2022-23?

- Continued to support managers and employees in addressing inappropriate behaviours through educational initiatives such as a coaching program for leaders, as well as offering civility and respect sessions to all staff.
- Continued to promote a culture of civility and respect through initiatives such as Pink Shirt Day and Random Acts of Kindness Day and continued to deliver the Civil Workspaces for Managers Workshop.

How did we perform?

Civility and respect **decreased** slightly during 2022-23.

- The percentage of employee respondents who scored high on survey items related to civility and respect was 25.0% in 2022-23, in comparison to 25.4% in 2021-22.

Increased clarity of leadership and expectations

What did we do during 2022-23?

- Continued work to increase leaders' awareness of the National Standard of Canada for Psychological Health and Safety through activities such as incorporating 'The Standard' into management orientation and providing various education sessions and tools to programs and staff.
- Continued to provide educational opportunities for supervisors/managers on effective communication, emotional intelligence, and coaching skills.

How did we perform?

Clarity of leadership and expectations **decreased** during 2022-23.

- The percentage of employee respondents who scored high on survey items related to clarity of leadership and expectations was 19.9% in 2022-23, in comparison to 22.9% in 2021-22.

Increased protection of physical safety

What did we do during 2022-23?

- Continued to focus on hazard assessments, safe work practices and procedures, as well as training and communication methods intended to protect the physical safety of staff while at work.
- Implemented level one online training and risk assessment tool as part of the VARB Prevention Program aimed to protect employees from violence by patients, staff, family members, or visitors.
- Continued the integration of peer safety champions to assist with coaching, equipment inspections, focused observation, and training, as part of the Safe Patient Handling Program and Manual Materials Handling Program.
- Developed incident investigation information to help managers understand the investigation process and their responsibilities.

How did we perform?

Protection of physical safety **decreased** during 2022-23.

- The percentage of employee respondents who scored high on survey items related to protection of physical safety was 13.7% in 2022-23, in comparison to 14.2% in 2021-22.

Discussion of Results

- Eastern Health capitalized on the lessons learned throughout the pandemic to ensure that employees, physicians, and volunteers had the resources they needed to remain healthy and safe as the pandemic continued and fatigue and burnout increased.
- Based on the National Standard of Canada for Psychological Health and Safety in the Workplace, Eastern Health chose five psychosocial factors (psychological self-care, psychological job fit, civility and respect, clarity of leadership and expectations, and protection of physical safety) to work on for the 2020-23 strategic planning cycle. Although a tremendous amount of work was done in all three years to improve the five factors chosen, 2022-23 saw a decrease in all five factors. Challenges and barriers to success included delays in work due to competing priorities brought on by the COVID-19 pandemic and the cyber-attack, staff workload, and position

vacancies. During the past year it was noted from interactions with staff members across the organization that post-pandemic fatigue was prevalent. There was also uncertainty with pending health system changes. Both have had an impact on the way the workforce engaged with supportive programs and services.

Priority Area

5

Sustainability

The organization must be sustainable for it to continue to improve access, quality and safety, and both population and workplace health. Therefore, Eastern Health continues innovative work to increase efficiencies and reduce waste. These efforts will help to mitigate the growth of expenditures in the province's challenging fiscal environment and reduce the environmental impact of the organization.

GOAL

By March 31, 2023, Eastern Health will have improved the sustainability of the organization.

OBJECTIVES

1. **Remained within the annual approved government operating expenditure limit**
2. **Enhanced clinical efficiencies and improved appropriateness of care**
3. **Reduced the environmental impact of the organization**
4. **Harnessed innovation to improve patient care and to elevate Eastern Health as a leader in the Canadian health innovation sector**

1 Remained within the annual approved government operating expenditure limit

Success on this objective was determined by minimized variance from operational expenditure budget. Eastern Health worked to achieve this through cost efficiency and monitoring of financial processes.

INDICATOR

Decreased variance from operational expenditure budget

Monitoring the operational expenditure budget is key to ensuring fiscal sustainability. Eastern Health has monitored variance from its approved operational expenditure budget to identify when our current actual expenses exceed our budgeted expenses. This process informs decision making and drives work aimed at identifying inefficiencies and reducing waste.

What did we do during 2022-23?

- Continued a focused effort around peer benchmarking using the Benchmark Intelligence Group (BIG) Benchmarking Tool, which is designed to give its users a view of the organization's functional performance in comparison to peers.
- Continued to closely monitor monthly budget and reported variances to the organization's Board of Trustees and the Department of Health and Community Services.
- Ensured compliance with approved internal Financial Monitoring Policy.
- Closely tracked and monitored expenditures related to COVID-19 and increased compensation expense due to human resource constraints to ensure cost mitigation efforts could be established.

How did we perform?

Despite continual efforts to monitor the operational expenditure budget and identify and address inefficiencies, Eastern Health's actual

operational expenses exceeded budgeted expenses in 2022-23 and, therefore, a related variance did exist.

The primary drivers of increased expense variance in 2022-23 were the direct and indirect impacts of COVID-19, increased compensation due to human resource constraints, as well as increased expense related to fuel oil and other inflationary expenses that added significant unplanned pressure to operational expenses.

2 Enhanced clinical efficiencies and improved appropriateness of care

Success on this objective was determined by reduced potentially inappropriate use of antibiotics, bichemistry testing, and use of opioids. Eastern Health worked to achieve this through implementation of Choosing Wisely recommendations.

INDICATOR

Reduced potentially inappropriate use of antibiotics

Antibiotic stewardship programs are essential for minimizing the inappropriate use of antibiotics across health care settings. These programs aim to ensure that antibiotics are used only as indicated, and at the right dose and duration of therapy. The risk of overuse of antibiotics in hospitals include antibiotic resistance; increase in disease complications, adverse events, and re-hospitalization; longer lengths of stay; and added cost.

What did we do during 2022-23?

- Continued to implement various clinical mechanisms aimed at reducing potentially inappropriate prescribing of antibiotics including unit audits and ensuring consistency between microbiology reports and antimicrobial formulary.

- Continued to promote and maintain use of the Firstline Application, previously known as the Spectrum Application, which provides up-to-date data and information on clinical guidelines for antibiotic prescribing. The number of users is increasing, and use of this tool has reduced cases, and therefore prescription costs, for hospital acquired Clostridioides difficile (C. diff) that can occur after antibiotic use.
- Revised antibiotic monitoring policies to better enable pharmacists to adjust antibiotic doses and make changes to treatment when necessary.

How did we perform?

Eastern Health **reduced** potentially inappropriate use of antibiotics in 2022-23.

- The rate of antimicrobial use in acute care, defined as the total number of standardized daily doses dispensed per 1,000 inpatient days within select Eastern Health hospitals was 451.82 in 2022-23, in comparison to 510.8 in 2021-22.

INDICATOR

Reduced potentially inappropriate use of biochemistry testing

Eliminating unnecessary biochemistry testing is becoming increasingly important in the control and management of the rapid growth of health-care costs. Systematic reviews have suggested 11% of ordered tests are repeated, over-utilized, or unnecessary and could be eliminated.[19]

What did we do during 2022-23?

- Applied the Physician Test Utilization Index to monitor and reduce potentially inappropriate laboratory testing by examining the average

[19] Zhi M, Ding EL, Theisen-Toupal J, Whelan J, Arnaout R (2013). The Landscape of Inappropriate Laboratory Testing: A 15-Year Meta-Analysis. *PLoS ONE* 8(11): e78962. doi:10.1371/journal.pone.0078962

weekly outpatient tests ordered by general practitioners within Eastern Health in comparison to their peers.

- Continued using the Test Utilization Index to audit and target education for physicians whose ordering practices exceeded routine testing volumes.
- The Provincial Laboratory Test Formulary (PLF) website was released to provide an up-to-date catalogue of laboratory tests available. Its focus is on identifying and making available tests that support current standards of practice, are evidence-based, and are essential for optimizing patient health outcomes. The operation of the PLF will be closely aligned with that of Quality-of-Care NL/Choosing Wisely NL and other provincial initiatives focused on improving the utilization and sustainability of laboratory services throughout the province.

How did we perform?

Eastern Health **reduced** potentially inappropriate use of biochemistry testing in 2022-23.

- The per cent variance in high-use physician biochemistry testing in comparison to peers was -3.0% in 2022-23, in comparison to 1.4% in 2021-22.
- Outpatient laboratory testing volumes within family practice consistently remain 5-10% lower than pre-pandemic ordering. While order control is influenced by changes in primary care practice patterns (increased virtual care; practice closures), testing guidelines are shifting to lower average volumes per practitioner post-pandemic.

INDICATOR

Reduced potentially inappropriate use of opioids

Eastern Health supports the "Opioid Wisely" campaign to reduce harms associated with opioid prescribing. First exposure to opioids often

occurs in health-care facilities following surgery, increasing the potential for patient opioid dependence, harm, and death.

What did we do during 2022-23?

- Implemented strategies to improve immediate and short-term post-operative opioid use and discharge pain-management planning.
- Continued to enhance education and learning opportunities for care providers in post operative pain management and recommended guidelines for opioid prescribing following surgery.

How did we perform?

Eastern Health **reduced** potentially inappropriate use of opioids in 2020-21.[20]

- Daily doses of opioids dispensed from community pharmacies within 72 hours following discharge for surgical procedures completed within Eastern Health (per 1,000 population) was 65.8 in 2022-23, in comparison to 67.8 in 2020-21.

3 Reduced the environmental impact of the organization

Success on this objective was determined by reduced carbon emissions, energy consumption and waste throughout Eastern Health's facilities.

INDICATOR

Reduced carbon emissions

Eastern Health is committed to leveraging innovative ideas, technologies, and processes to increase efficiencies and reduce waste. Reduction in the organization's carbon footprint is gained through

[20] Reporting on this indicator is one year delayed due to the need to link hospital discharge data to community prescription dispensing.

decreases in carbon emissions (CO2-eq) by reducing reliance on fossil fuels and recapturing anesthetic gas.

What did we do during 2022-23?

- Continued implementation of initiatives that aim to reduce carbon emissions, such as those associated with our energy performance contract, the low carbon economy fund and the climate change challenge fund.
- Ongoing monitoring and adjustments to base-year calculation of carbon reductions for city sites.

How did we perform?

In 2022-23, Eastern Health **reduced** carbon emissions.

- Estimated carbon emissions were reduced by 3874 tonnes in 2022-23, in additional to the 3,234 tonnes in 2021-22 and 1,977 in 2020-21 from select facilities.

INDICATOR

Reduced energy consumption

Eastern Health has been committed to leveraging inventive ideas, technologies, and processes to increase efficiencies and reduce waste. Utility savings gained through energy efficiency improvements are the cornerstone of our energy projects and the primary benchmark for determining the performance of energy conservation measures.

What did we do during 2022-23?

- Continued monitoring and reporting on energy savings.
- Continued implementation of energy saving measures in various facilities
- Completed measures associated with an Energy Performance Contract.
- Continued work to improve communication and awareness of energy savings and associated reduction initiatives.

How did we perform?

In 2022-23, Eastern Health **reduced** energy consumption.

- Ten city sites saw an energy reduction of 13,022,151 ekWh (resulting in an estimated savings of $1,911,099), in addition to the 11,150,335 ekWh ($836,994) saved in 2021-22 and 4,416,273 ekWh ($383,452) in 2020-21.

INDICATOR

Reduced Waste

In 2021, Eastern Health completed the initiative to reduce Styrofoam™ in Rural Patient Food Services and retail locations. Upon completion, Eastern Health embarked on a new initiative to further decrease the environmental footprint of Patient Food Services and retail by recycling (where possible) tin cans used in food production.

What did we do during 2022-23?

- Identified sites to be included in the recycling initiative and determined the equipment required to successfully roll it out across various facilities.
- Educated staff on the appropriate process for recycling tin cans, including proper disposal procedures.
- Monitored processes to ensure recycling initiative was being appropriately managed and carried out as intended.

How did we perform?

In 2022-23, Eastern Health's focused project to recycle tin cans resulted in an overall **reduction** of waste.

- By the end of 2023, 3969.9 kg of tin cans were recycled from various sites across Eastern Health.

4 Harnessed innovation to improve patient care and to elevate Eastern Health as a leader in the Canadian health innovation sector

Success on this objective was determined by increased number of patients involved in health technology clinical trials and increased economic development. Eastern Health worked to achieve this through implementation of the organization's innovation strategy.

INDICATOR

Increased number of patients involved in health technology clinical trials

Eastern Health has been committed to leading and supporting health innovation that contributes to the achievement of its strategic goals. In essence, the organization is a Living Lab – a user-centred space where public and private partnerships are actively forged to improve patient care. As a Living Lab, Eastern Health has aimed to provide opportunities for innovative solutions to be developed, tested, refined, and applied across all areas of health care.

What did we do during 2022-23?

- Continued to recruit clients for health technology clinical trials.

How did we perform?

Eastern Health **increased** the number of clients enrolled in health technology clinical trials in the past fiscal year.

- By the end of the 2022-23 fiscal year, 237 clients were enrolled in health technology clinical trials.

INDICATOR

Increased economic development

By investing in innovative solutions, Eastern Health can introduce both economic benefits and employment opportunities to Newfoundland and Labrador. Eastern Health estimates the direct, indirect, and induced economic benefits resulting from health care innovation projects supported throughout the organization. Gross Domestic Product (GDP) is a measure of the value of goods and services produced in the economy within a year. The GDP impact measured here only includes the health-care-related innovation activities of vendors.

What did we do during 2022-23?

- Completed phase one construction on a Health Innovation Acceleration Centre, with the official opening during the Fall Innovation Summit in 2022. The next phase will focus on the collaboration space and refinement and testing of technology-enabled solutions to make improvements within the health system.
- Continued onboarding of new trials for medical technology (MedTech).[21]
- Continued industry and partner projects, including the numerous value-based procurement projects, and Becton Dickinson (BD) naming Eastern Health as their North American test bed.
- Continued partnerships with the local ecosystem, nationally through the CANHealth network, and with the Norwegian and Icelandic embassies to use the Living Lab as a test bed for MedTech companies to test their solutions in North America.

How did we perform?

Eastern Health saw an **increase** in economic development in the last fiscal year.

- The estimated GDP growth invested within the province was $9.4M during the 2022 calendar year, which was in addition to the $10.3M during 2021 and $12.2M in 2020.

[21] Some examples of medical technology include 3D printing, medical devices and surgical equipment.

DISCUSSION OF RESULTS

- Eastern Health is committed to the sustainability of the organization. Operating as efficiently as possible is imperative to the success of the initiatives aiming to improve access, quality and safety, the health of our workplace, and the health of the population. The direct and indirect impacts of COVID-19, increased compensation due to human resource constraints, and increased expenses related to fuel oil and other inflationary expenses added significant pressure to operational expenses during 2022-23, with Eastern Health's actual expenses exceeding budgeted expenses for all three fiscal years.
- Eastern Health aims to reduce its environmental impact through reduction of carbon emissions, energy consumption, and waste throughout its facilities. Eastern Health achieved reductions in all three initiatives during the 2020-2023 strategic planning cycle.
- Lastly, the organization continues to harness innovation through the Living Lab which provides opportunities for innovative solutions to be developed, tested, refined, and applied across all areas of health care. Both enrollment in health clinical trials and GDP growth increased as a result of an increased focus on innovation.

OPPORTUNITIES AND CHALLENGES AHEAD

The 2022-23 fiscal year was the last year in Eastern Health's 2020-23 strategic planning cycle. It marked a momentous transition, as the organization amalgamated from four regional health authorities and the Newfoundland and Labrador Centre for Health Information, to Newfoundland and Labrador Health Services (NL Health Services).

Eastern Health's 2020-23 strategic planning cycle was met with unprecedented challenges that continued throughout the past fiscal year, including the global COVID-19 pandemic, followed by a cyber-attack. Both events required quick, diligent, and responsive planning to ensure that we continued to provide high quality care to patients while keeping employee and physician well-being at the forefront.

Like the other regions in Newfoundland and Labrador, a pressured health-care system is not a new challenge. Regional health authorities in the province serve an aging population, with health outcomes among the worst in the country, the highest rates of chronic disease, all coupled with a 50-year-old institution-based system with an imbalance between community-based and hospital-based services. With increasing client numbers, patient acuity, hospital admissions, and provincial fiscal constraints, Newfoundland and Labrador continues to face a challenging environment that requires innovative and evidence-based solutions.

As with any challenge, there is a great opportunity to change and re-envision health-care service delivery in the province. With the release of the Health Accord NL Report: **Our province. Our health. Our future. A 10-Year Health Transformation,** and the subsequent transition to Newfoundland and Labrador Health Services on April 1, 2023, the province has begun this journey.

As Newfoundland and Labrador Health Services enters the 2023-2026 planning cycle, the new provincial organization will continue to focus on

our greatest resource, our people. The challenges that the province has faced over the past few years have demonstrated resilience, dedication, and an extraordinary commitment by our employees to deliver care and services of the utmost quality. At this venture, Eastern Health extends its gratitude to staff, physicians, managers, and senior leaders across the organization, as well as the team of trustees, who have worked diligently and seized all available opportunities to provide the best possible care to those they serve.

It is evident that the extraordinary commitment of our people will continue as the people of Eastern Health unite with the rest of the province. Together, NL Health Services will embark on a shared commitment to achieve Health Accord NL's vision of improved health and health outcomes of Newfoundlanders and Labradorians by accepting and intervening in social determinants of health, and by designing a higher quality health system that rebalances community, hospital, and long-term care services.

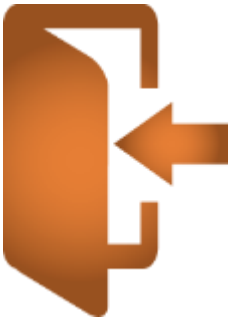
This is undoubtedly a monumental year for new opportunities and challenges as the organization concludes not only the 2020-2023 planning cycle, but the existence of Eastern Health. NL Health Services continues the mandates of its legacy organizations while working to transform the health system and provide quality and efficient care.

APPENDIX I

Descriptions of Key Performance Indicators from the Report on Performance Section

The following provides an overview of quantitative indicators found in the Report on Performance Section of the Annual Performance Report, listed by relevant priority area:

Access



- **Increased attachment to a primary health-care provider**: Measured by percentage of MCP registrants within the Eastern Health region who are not attached to a general practice physician. Unattached MCP registrants include individuals who meet the following criteria: did not have a visit with a fee-for-service general practice physician or had one or more visits with a fee-for-service general practice physician but less than <60% of visits were billed under the same physician; and did not have an encounter with an Eastern Health service or had at least one encounter with an Eastern Health service but a valid name was not provided or identified within the 'family doctor' field.
- **Better management of chronic disease with a focus on COPD:** Measured by the rate of acute care hospitalizations for chronic obstructive pulmonary disease (per 100,000 population aged 0-74 years).
- **Increased utilization of virtual care:** Measured by the percentage of primary care visits delivered through virtual care. This measure describes the proportion of general practice visits that are conducted through virtual care among Eastern Health's salaried primary care providers. All primary care visits are logged electronically within the patients' EMR. Virtual care and associated technology requirements are captured as checked fields within the visit registration. The total number of visits completed virtually is divided by the total visit volume

to determine the proportion of primary care visits supported using virtual care each month.

- **Increased patient and provider satisfaction with alternative methods of delivering care**: Measured by key informant interviews and/or surveys, where appropriate. Tools are currently under development and will be designed with items assessing patient and provider satisfaction with alternative methods of delivering care.
- **Decreased wait times for outpatient child psychiatry:** Measured by the percentage of new referrals seen by child psychiatry within their access target, which are as follows: Priority 1: ≤ 30 Days; Priority 2 ≤ 90 Days; Priority 3 ≤ 182 Days. Data are collected through the Community Wide Scheduling program from the child psychiatry clinic in the Janeway Health and Rehabilitation Centre. [22]
- **Decreased wait times for outpatient adult psychiatry:** Measured by the percentage of new referrals seen by adult psychiatry within their access target, which are as follows: Priority 1: < 30 Days; Priority 2 < 90 Days; Priority 3 < 182 Days. Data are collected through the Community Wide Scheduling program from selected city psychiatry clinics.
- **Decreased wait times for child and adolescent counselling services:** Measured by the percentage of new referrals seen by child and adolescent counselling services within their access target, which are as follows: Priority 1: ≤ 30 Days; Priority 2 ≤ 90 Days; Priority 3 ≤ 182 Days. The data are collected through the Community Wide Scheduling program from selected city community mental health and addictions services.
- **Increased number of seniors with an annual assessment completed:** Measured by the percentage of clients aged 65 years and older in receipt of long-term home support services with an up-to-date annual assessment (RAI-HC) completed.
- **Increased number of seniors with a support plan completed:** Measured by the percentage of clients aged 65 years and older in

[22] Community Wide Scheduling is a patient appointment scheduling module, used in the majority of outpatient clinics and services throughout Eastern Health.

receipt of long-term home support services with an up-to-date support plan completed.

- **Decreased Alternate Level of Care (ALC) days in acute care:** Measured by the percentage of alternate level of care (ALC) days for acute inpatient care as a percent of total patient days stayed. A patient's total hospital days stayed is the amount of time they spend as a patient in the hospital from the time they are admitted until they are discharged. Sometimes a physician or other designated medical professional indicates that a patient occupying an acute care hospital bed no longer requires the intensity of resources or services associated with acute care. The amount of time between when this decision is made until the patient is discharged to a location where they can receive the level of care determined necessary by the physician, is the patients Alternate Level of Care (ALC) length of stay.
- **Decreased length of stay for typical acute care inpatients**: Measured by the percentage of length of stay over expected length of stay (in days) for acute inpatient care. When the percentage of actual days stayed is above 100%, existing patients have stayed longer than expected. Expected length of stay is the average length of stay in hospital for typical patients with the same case mix grouping, age category, co-morbidity level and intervention factors.
- **Resumption of services to volumes appropriate for the current COVID-19 Alert Level with established backlog plan:** This measure assesses the actual resumption of key services compared to the volume expected to be delivered based on the current COVID-19 Alert Level in place within the province. Results are displayed as the percent increase or decrease in key services delivered in each time period, where 0% indicates service levels were equal to the volume expected while maintaining the precautions put in place to keep patients, visitors and staff safe throughout the pandemic.

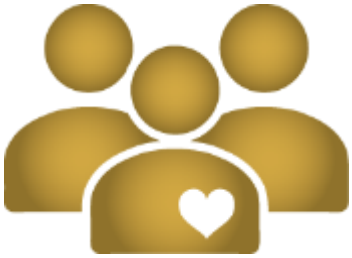
Quality and Safety

- **Improved Hospital Standardized Mortality Ratio (HSMR):** Measured by a ratio that represents the actual number of deaths that occurred in hospital relative to the number of deaths that would be expected to occur based on the complexity of patients treated, once adjusted for factors that affect the risk of death such as age, sex, and length of hospital stay. HSMR is a publicly reported safety measure and is used by hospitals worldwide to assess and analyze mortality while assessing areas of change and improvement. The HSMR is based on diagnosis groups that account for 80 per cent of all deaths in acute care hospitals, excluding patients identified as receiving palliative care. The number of expected deaths is derived from the average experience of acute care facilities that submit to the Canadian Institute for Health Information (CIHI)'s Discharge Abstract Database (DAD). An HSMR equal to 100 suggests that there is no difference between the actual and expected mortality rates given the types of patients cared for.
- **Increased medication reconciliation compliance rates:** Measured by the percentage of medication reconciliation compliance, this indicator identifies the audit results of the medication reconciliation (MedRec) process as determined by Accreditation Canada criteria. Compliance indicates that the MedRec process was achieved on at least 75 per cent of the charts audited on a monthly audit (random selection of a minimum of five charts per unit). The criteria for success include: (1) the Best Possible Medication History (BPMH) was collected at admission; (2) patient/family was a source in collecting the BPMH; (3) BPMH was compared to the admitting orders; and (4) medication discrepancies were identified and resolved.
- **Reduced potentially inappropriate use of antipsychotics in long-term care:** Measured by the percentage of long-term care residents prescribed antipsychotics within the reporting period without a corresponding diagnosis of psychosis.
- **Improved clinical transitions in care**: Measured by the per cent compliance with recommended processes for improved clinical

transitions in care. This indicator identifies quarterly audit results for recommended practice when clients experience a transition in care, such as admission from the emergency department to acute care, inter-unit transfers, and discharge from hospital to residential care.

- **Improved client experience:** Measured by the percentage of clients who rated their care received as 8 or above on a scale from 0 (worst care possible) to 10 (best care possible) on Eastern Health's Experience of Care Survey.
- **Increased meaningful involvement of client and family advisors:** Measured by the percentage of client and family advisors who report their involvement as meaningful on Eastern Health's Client and Family Advisor Questionnaire. Factor analysis was conducted to identify a single scale where the percentage of respondents scoring an average of four or above on a scale from one (Not at all) to five (Very much so) are used to report on the indicator.
- **Increased meaningful involvement of families**: Measured by the percentage of clients who reported health care providers "Always" involved their family members and/or support people in decisions about their care on Eastern Health's Experience of Care Survey.
- **Increased number of teams using visual management in their improvement huddles:** Measured by the number of teams actively using visual management in their improvement huddles.

Population Health



- **Increased reach of smoking cessation program:** Measured by the number of hospitalized smokers within the target program sites who received smoking cessation services through the Ottawa Model for Smoking Cessation (OMSC) program. OMSC is currently offered within St. Clare's Mercy Hospital.
- **Increased percentage of the Public Health e-health digital innovation strategy implemented:** Measured by the percent of e-health innovation strategy implemented within a reporting period. There are nine initiatives to be implemented, including: 1) EMR provincial initiative for self-scheduling; 2) EMR provincial initiative to obtain consent for public health administered vaccinations; 3) Enhanced use of virtual meeting technologies among clients and partners. 4) Enhancements to HI website (HI Innovation Project); 5) Implementation of electronic ASQ-3 development screening tool; 6) Implementation of pre-natal assessment application; 7) Improved clinic appointment reminder processes; 8) Development of a population health status dashboard; 9) Electronic management system for public health records (to be initiated, but not expected for completion by March 23, 2021).
- **Increased collaboration with partners on population health initiatives:** Measured by the number of population health initiatives implemented in collaboration with partners. Five initiatives planned in collaboration with partners include: 1) Healthy City Strategy, City of St. John's; 2) Eastern Health Board Virtual Conference on Population Health; 3) Food Strategy; 4) Healthy Communities Partnership Fund; 5) Hi Innovation Project: Healthy Child Development: Supporting Parents Online.

Healthy Workplace

- **Decreased employee lost time injuries:** Measured by the bi-weekly, average rate of employee injuries (per 1,000 employees).
- **The five priority psychosocial factors:**
  - Increased support for psychological self-care
  - Improved psychological job fit
  - Increased civility and respect
  - Increased clarity of leadership and expectations
  - Increased protection of physical safety

  Measured by the percentage of employees who scored high on items related to each factor in the Caring for Health-care Workers Survey. Psychosocial factors (PFs) are the sums of 3-4 individual survey items (each scored on a scale of 1-4); the four-item factors are prorated to be comparable to the other factors. Psychosocial factor scores range between three and 12. Scores on the PFs are then classified into three categories of: Low, Medium or High.

Sustainability

- **Decreased variance from operational expenditure budget:** Measured as (Year to Date budgeted expenses – Year to Date actual expenses) in dollars.
- **Reduced potentially inappropriate use of antibiotics**: Measured as the defined daily doses (DDD) of antimicrobials dispensed for acute inpatient care per 1,000 inpatient days in select Eastern Health facilities within the reporting period.
- **Reduced potentially inappropriate use of biochemistry testing**: Measured by the per cent variance in high-use physician biochemistry testing in comparison to peers. The weekly average outpatient tests ordered by general practice physicians (GPs) within Eastern Health is compared to the normal, median tests ordered and converted into a

percentage. When the average tests ordered consistently exceeds the 50th percentile 'middle of the road' clinician, this signals overuse of biochemistry testing amongst high-use physicians. The goal is to reduce the gap between the high use physicians and their normalized peers, towards 0%.

- **Reduced potentially inappropriate use of opioids**: Measured by the rate of standardized daily doses of opioids dispensed from community pharmacies within 72 hours following discharge for surgical procedures completed within Eastern Health (per 1,000 population).
- **Reduced carbon emissions**: Measured by an estimated reduction in carbon emissions in tonnes (CO2-eq) by reducing reliance on fossil fuels and recapturing anesthetic gas within Eastern Health's owned and leased facilities.
- **Reduced energy consumption**: Measured by the estimated electric and propane savings resulting from reduced energy consumption (kWh) within Eastern Health's owned and leased facilities. This is estimated using the actual energy consumed (kWh) within included facilities compared to projected monthly energy use (kWh) based on meter tunings completed at the start of the fiscal year.
- **Reduced waste**: Measured by the number of units of Styrofoam service-ware in inventory in Rural Patient Food Services and retail locations at the end of a reporting period.
- **Increased number of patients involved in health technology trials:** Measured by the number of clients enrolled in health technology clinical trials in a reporting period.
- **Increased economic development**: measured by the estimated GDP (Gross Domestic Product) growth invested within the province of Newfoundland and Labrador as a result of increased innovation within Eastern Health (per $M). Financial models, developed in consultation with the Department of Finance, Government of Newfoundland and Labrador, are used to estimate direct, indirect, and induced economic benefit of health-care innovation on provincial GDP. Vendors estimate their own GDP impact through annual self-reported survey.

APPENDIX II

Acronyms Used in this Document

ACRONYM	FULL TERM
AAHP	Association of Allied Health Professionals
ACSC	Ambulatory Care Sensitive Conditions
ALC	Alternate Level of Care
BETTER	Building on Existing Tools To Improve Chronic Disease Prevention and Screening in Primary Care
BFTE	Benefit Full Time Equivalent
BIG	Benchmark Intelligence Group
BPMH	Best Possible Medication History
CEO	Chief Executive Officer
CFCC	Client- and Family-Centred Care
CIHI	Canadian Institute for Health Information
COPD	Chronic Obstructive Pulmonary Disorder
CUPE	Canadian Union of Public Employees
EHOP	Eastern Health Operational Plan
EMR	Electronic Medical Record
EVA	Employee Virtual Assistant
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GP	General Practitioner
HSC	Health Sciences Centre
HSMR	Hospital Standardized Mortality Ratio

INSPIRED	Implementing a Novel and Supportive Program of Individualized care for patients and families living with Respiratory Disease
MUN	Memorial University of Newfoundland and Labrador
NAPE	Newfoundland and Labrador Association of Public and Private Employees
NAPE HP	Newfoundland and Labrador Association of Public and Private Employees (Health Professionals)
NAPE LX	Newfoundland and Labrador Association of Public and Private Employees (Laboratory and X-Ray)
NATI	Newfoundland and Labrador Association of Technology Industries
NL	Newfoundland and Labrador
NLCHI	Newfoundland and Labrador Centre for Health Information
OMSC	Ottawa Model for Smoking Cessation Program
PARNL	Professional Association of Residents of Newfoundland and Labrador
PPE	Personal and Protective Equipment
RAI-HC	Resident Assessment Instrument – Home Care
RNUNL	Registered Nurses' Union Newfoundland and Labrador
RPM	Remote Patient Monitoring
SCMH	St. Clare's Mercy Hospital
VARB	Violence, Aggression, and Responsive Behaviour

APPENDIX III

Audited Financial Statements

Eastern Regional Health Authority – Operating Fund

Non-consolidated financial statements
March 31, 2023

Eastern Regional Health Authority – Operating Fund

Table of contents

March 31, 2023

Management's Report

Management's Responsibility for the Eastern Regional Health Authority – Operating Fund Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board of Trustees is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board of Trustees. The Board of Trustees reviews internal financial information on a periodic basis and external audited financial statements yearly.

The Office of the Auditor General conducts an independent audit of the annual financial statements of the Eastern Regional Health Authority – Operating Fund, in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Office of the Auditor General has full and free access to financial management of the Eastern Regional Health Authority – Operating Fund.

On behalf of the Eastern Regional Health Authority – Operating Fund.

Kenneth W. Baird
President and Chief Executive Officer
(Interim)

Scott Bishop, CPA, CGA, CHE
Vice President – Corporate Services
and Chief Financial Officer

OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

INDEPENDENT AUDITOR'S REPORT

To the Chair of the Finance Committee of the Board of Trustees and Members
Newfoundland and Labrador Health Services
St. John's, Newfoundland and Labrador

Opinion

I have audited the financial statements of the Eastern Regional Health Authority – Operating Fund, which comprise the statement of financial position as at March 31, 2023, and the statement of operations and accumulated deficit, statement of change in net debt, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Eastern Regional Health Authority – Operating Fund as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Eastern Regional Health Authority – Operating Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude

that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

Other Matters

I draw attention to the fact that the supplementary information included with the financial statements related to Eastern Regional Health Authority – Operating Fund does not form part of the financial statements. I have not audited or reviewed this supplementary information and, accordingly, I do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

The non-consolidated financial statements of the Eastern Regional Health Authority – Operating Fund for the year ended March 31, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on June 29, 2022.

Basis of Accounting and Restriction on Distribution and Use

Without modifying my opinion, I draw attention to Note 2 to the non-consolidated financial statements, which describes the basis of presentation of the non-consolidated financial statements of the Eastern Regional Health Authority – Operating Fund. These non-consolidated statements have been prepared for specific users and may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Eastern Regional Health Authority – Operating Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Eastern Regional Health Authority – Operating Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Eastern Regional Health Authority – Operating Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Eastern Regional Health Authority – Operating Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. As described in Note 24 of the financial statements, as of April 1, 2023 the Eastern Regional Health Authority dissolved and became part of the new Newfoundland and Labrador Health Services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General

July 12, 2023
St. John's, Newfoundland and Labrador

Eastern Regional Health Authority – Operating Fund

Non-consolidated statement of financial position

[in thousands of Canadian dollars]

As at March 31

	2023	2022
	$	$
Financial assets		
Cash	**1,737**	—
Accounts receivable *[note 3]*	**17,568**	22,222
Due from government/other government entities *[note 4]*	**56,071**	39,531
Due from other entities	**336**	3,309
Sinking fund investment *[note 11]*	**29,453**	27,572
	105,165	92,634
Liabilities		
Bank indebtedness	**—**	11,223
Operating facility *[note 6]*	**289,486**	215,390
Accounts payable and accrued liabilities *[note 7]*	**129,428**	122,083
Due to government/other government entities *[note 8]*	**46,913**	30,782
Employee future benefits		
Accrued severance pay *[note 16]*	**2,441**	8,734
Accrued sick leave *[note 17]*	**71,006**	69,868
Accrued vacation pay	**80,837**	78,466
Deferred contributions *[note 9]*		
Deferred capital grants	**49,522**	56,865
Deferred operating revenue	**40,625**	17,647
Asset retirement obligation - long term capital [*note 23]*	**1,400**	—
Long-term debt *[note 10]*	**130,736**	130,968
	842,394	742,026
Net debt	**(737,229)**	(649,392)
Non-financial assets		
Tangible capital assets, net *[note 5]*	**396,415**	380,153
Supplies inventory *[note 22]*	**37,423**	38,107
Prepaid expenses	**24,791**	25,647
	458,629	443,907
Accumulated deficit	**(278,600)**	(205,485)

Contingencies *[note 14]*
Contractual obligations *[note 15]*

See accompanying notes

Approved by the Board:

_____ Director Director

Eastern Regional Health Authority – Operating Fund

Non-consolidated statement of operations and accumulated deficit

[in thousands of Canadian dollars]

Year ended March 31

	Final Budget	2023	2022
	$	$	$
	Unaudited [note 21]		
Revenue			
Provincial plan	1,512,847	**1,512,846**	1,472,346
Medical Care Plan	82,316	**81,899**	72,916
Other	58,431	**60,117**	50,872
Provincial plan capital grant *[note 9]*	—	**37,070**	34,905
Resident	15,907	**17,110**	17,370
Inpatient	11,853	**12,518**	10,085
Outpatient	10,050	**10,296**	7,835
Other capital contributions *[note 9]*	—	**9,455**	6,479
	1,691,404	**1,741,311**	1,672,808
Expenses *[note 21]*			
Patient and resident services	431,805	**450,190**	427,223
Client services	383,647	**383,439**	379,237
Diagnostic and therapeutic	227,852	**237,489**	220,425
Support	218,915	**232,027**	209,832
Ambulatory care	213,829	**210,187**	188,085
Administration	102,845	**120,754**	147,239
Medical services	110,855	**110,939**	98,582
Amortization of tangible capital assets *[note 5]*	—	**30,361**	30,954
Research and education	20,278	**20,361**	16,152
Other	4,552	**11,020**	6,361
Interest on long-term debt	9,955	**9,043**	9,053
Employee future benefits			
Accrued severance pay recovery	—	**(6,293)**	(249)
Accrued sick leave expense	—	**1,138**	1,281
Accrued vacation pay expense	—	**2,371**	7,000
	1,724,533	**1,813,026**	1,741,175
Annual deficit	(33,129)	**(71,715)**	(68,367)
Accumulated deficit, beginning of year	—	**(205,485)**	(137,118)
Asset retirement obligation, prior year	—	**(1,400)**	—
Accumulated deficit, end of year	—	**(278,600)**	(205,485)

See accompanying notes

Eastern Regional Health Authority – Operating Fund

Non-consolidated statement of changes in net debt

[in thousands of Canadian dollars]

Year ended March 31

	2023 $	2022 $
Annual deficit	**(71,715)**	(68,367)
Changes in tangible capital assets		
Acquisition of tangible capital assets	**(46,525)**	(41,384)
Acquisition of tangible capital assets - long term debt	**(140)**	—
Disposal of tangible capital assets	**42**	113
Amortization of tangible capital assets	**30,361**	30,954
Increase in net book value of tangible capital assets	**(16,262)**	(10,317)
Changes in other non-financial assets		
Use of prepaid expenses	**856**	2,089
Use of supplies inventory	**684**	34,855
Increase in other non-financial assets	**1,540**	36,944
Increase in net debt	**(86,437)**	(41,740)
Net debt, beginning of year	**(649,392)**	(607,652)
Asset retirement obligation, prior year	**(1,400)**	—
Net debt, end of year	**(737,229)**	(649,392)

See accompanying notes

Eastern Regional Health Authority – Operating Fund

Non-consolidated statement of cash flows

[in thousands of Canadian dollars]

Year ended March 31

	2023 $	2022 $
Operating transactions		
Annual deficit	**(71,715)**	(68,367)
Adjustments for		
Amortization of tangible capital assets	**30,361**	30,954
Capital grants – provincial and other	**(46,525)**	(41,384)
Decrease in accrued severance pay	**(6,293)**	(249)
Increase in accrued sick leave	**1,138**	1,281
Net change in non-cash assets and liabilities related to operations *[note 12]*	**41,452**	10,176
Cash used in operating transactions	**(51,582)**	(67,589)
Capital transactions		
Acquisition of tangible capital assets - capital grants	**(46,525)**	(41,384)
Acquisition of tangible capital assets - long term debt	**(140)**	—
Disposal of tangible capital assets	**42**	113
Capital grants received *[note 9]*	**39,182**	45,316
Cash (used in) provided by capital transactions	**(7,441)**	4,045
Investing transactions		
Increase in sinking fund investment	**(1,881)**	(1,581)
Cash used in investing transactions	**(1,881)**	(1,581)
Financing transactions		
Acquisition of tangible capital assets - long-term debt	**140**	—
Repayment of long-term debt	**(372)**	(342)
Repayment of advance to General Hospital Hostel Association	**—**	148
Change in operating facility, net	**74,096**	67,373
Cash provided by financing transactions	**73,864**	67,179
Net decrease in bank indebtedness/increase in cash	**12,960**	2,054
Bank indebtedness, beginning of year	**(11,223)**	(13,277)
Cash (bank indebtedness), end of year	**1,737**	(11,223)
Supplemental disclosure of cash flow information		
Interest paid	**9,036**	8,997

See accompanying notes

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

1. Nature of operations

The Eastern Regional Health Authority ["Eastern Health"] is responsible for the governance of health services in the Eastern Region [Avalon, Bonavista, and Burin Peninsulas, west to Port Blandford] of the Province of Newfoundland and Labrador [the "Province"].

The mandate of Eastern Health spans the full health continuum, including primary and secondary level health and community services for the Eastern Region, as well as tertiary and other provincial programs/services for the entire Province. Eastern Health also has a mandate to work to improve the overall health of the population through its focus on public health as well as on health promotion and prevention initiatives. Services are both community and institutional based. In addition to the provision of comprehensive health care services, Eastern Health also provides education and research in partnership with all stakeholders.

Eastern Health is incorporated under the laws of the Province of Newfoundland and Labrador and is a registered charitable organization under the provisions of the *Income Tax Act* (Canada) and, as such, is exempt from income taxes.

2. Summary of significant accounting policies

Basis of accounting

The non-consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards ["PSAS"] established by the Public Sector Accounting Standards Board of the Chartered Professional Accountants of Canada. The significant accounting policies used in the preparation of these non-consolidated financial statements are as follows:

Basis of presentation

These non-consolidated financial statements reflect the assets, liabilities, revenue, and expenses of the Operating Fund. Trusts administered by Eastern Health are not included in the non-consolidated statement of financial position *[note 13]*. These non-consolidated financial statements have not been consolidated with those of other organizations controlled by Eastern Health because they have been prepared for Eastern Health's Board of Trustees and the Department of Health and Community Services [the "Department"]. Since these non-consolidated financial statements have not been prepared for general purposes, they should not be used by anyone other than the specified users. Consolidated financial statements have also been issued.

Revenue recognition

Provincial plan revenue without eligibility criteria and stipulations restricting its use is recognized as revenue when the government transfers are authorized.

Government transfers with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met by Eastern Health, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a liability, the transfer is recognized in revenue when the liability is settled. Medical Care Plan ["MCP"], inpatient, outpatient and residential revenues are recognized in the period services are provided.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

Eastern Health is funded by the Department for the total of its operating costs, after deduction of specified revenue and expenses, to the extent of the approved budget. The final amount to be received by Eastern Health for a particular fiscal year will not be determined until the Department has completed its review of Eastern Health's non-consolidated financial statements. Adjustments resulting from the Department's review and final position statement will be considered by Eastern Health and reflected in the period of assessment. There were no changes from the previous year.

Other revenue includes dietary revenue, shared salaries and services and rebates and salary recoveries from WorkplaceNL. Rebates and salary recovery amounts are recorded once the amounts to be recorded are known and confirmed by WorkplaceNL.

Expenses

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed, or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver healthcare services, may be consumed in normal operations and are not for resale.

Cash (bank indebtedness)

Bank balances, including bank overdrafts with balances that fluctuate from positive to overdrawn, are presented under cash or bank indebtedness, respectively.

Supplies inventory

Supplies inventory is valued at the lower of cost and replacement cost, determined on a first-in, first-out basis.

Tangible capital assets

Tangible capital assets are recorded at historical cost. Certain tangible capital assets, such as the Health Sciences Centre, Janeway Children's Health and Rehabilitation Centre, St. John's, and Carbonear Long Term Care Facilities, are utilized by Eastern Health, and are not reflected in these non-consolidated financial statements as legal title is held by the Government of Newfoundland and Labrador [the "Government"]. The Government does not charge Eastern Health any amounts for the use of such assets. Certain additions and improvements made to such tangible capital assets are paid for by Eastern Health and are reflected in the non-consolidated financial statements.

Amortization is calculated on a straight-line basis at the rates set out below.

[Tabular amounts in thousands of Canadian dollars]

It is expected that these rates will charge operations with the total cost of the assets less estimated salvage value over the useful lives of the assets as follows:

Land improvements	10 years
Buildings and improvements	40 years
Equipment	5–7 years
Tangible capital assets – Rural Avalon	Declining balance

Gains and losses on disposal of individual assets are recognized in operations in the period of disposal.

Construction in progress is not amortized until the project is substantially complete, at which time the project costs are transferred to the appropriate asset class and amortized accordingly.

Impairment of long-lived assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to Eastern Health's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as expenses in the non-consolidated statement of operations and accumulated deficit.

Change in accounting policy

PS 3280 Asset Retirement Obligations:

On April 1, 2022, Eastern Health adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing accounting standard PS 3270 Solid Waste Landfill Closure and Post-Closure Liability. The standard was adopted on the modified retroactive basis at the date of adoption.

On April 1, 2022, Eastern Health recognized an asset retirement obligation relating to several of its owned buildings that contain asbestos. The buildings were originally purchased prior to 1983, and the liability was measured as of the date of purchase of the buildings, when the liability was assumed. The buildings had an expected useful life of 40 years, and the estimate has not been changed since purchase.

In accordance with the provisions of this new standard, Eastern Health reflected the following adjustments at April 1, 2022:

- Asbestos obligation:
    - An increase of $1,399,721 to the building tangible capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of $1,399,721 to accumulated amortization, representing 40 years of increased amortization had the liability originally been recognized. A retirement obligation liability was also recognized for the same amount.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

Capital and operating leases

A lease that transfers substantially all of the benefits and risks associated with ownership of property is accounted for as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair value. Assets acquired under capital leases are amortized on the same basis as other similar capital assets. All other leases are accounted for as operating leases and the payments are expensed as incurred.

Employee future benefits

Accrued severance

Due to changes in collective agreements, severance benefits accrued have been paid out to eligible employees. Employees who opted not to receive eligible severance payments were given the option to defer payment but will not accrue any further severance benefits.

Accrued sick leave

Employees of Eastern Health are entitled to sick leave benefits that accumulate but do not vest. Eastern Health recognizes the liability in the period in which the employee renders service. The obligation is actuarially determined using assumptions based on management's best estimates of the probability of use of accrued sick leave, future salary and wage changes, employee age, the probability of departure, retirement age, the discount rate and other factors. Discount rates are based on the Province's long-term borrowing rate. Actuarial gains and losses are deferred and amortized over the average remaining service life of employees, which is 13 years.

Accrued vacation pay

Vacation pay is accrued for all employees as entitlement is earned.

Pension costs

Employees are members of the Public Service Pension Plan and/or the Government Money Purchase Plan [the "Plans"] administered by the Government. The Public Service Pension Plan is a defined benefit plan and the Government Money Purchase Plan is a defined contribution plan. The Plans are considered multi-employer plans and are the responsibility of the Government. Contributions to the Plans are required from both the employees and Eastern Health. The annual contributions for pensions are recognized as an expense as incurred and amounted to $58,952,531 for the year ended March 31, 2023 [2022 – $57,711,013].

Sinking fund investment

The sinking fund was established for the partial retirement of Eastern Health's sinking fund debenture, which is held and administered by the Government.

Contributed services

Volunteers contribute a significant amount of their time each year assisting Eastern Health in carrying out its service delivery activities. Due to the difficulty in determining fair value, contributed services are not recognized in these non-consolidated financial statements.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

Financial instruments

Financial instruments are classified in one of the following categories: [i] fair value or [ii] cost or amortized cost. Eastern Health determines the classification of its financial instruments at initial recognition.

Long-term debt is initially recorded at fair value and subsequently measured at amortized cost using the effective interest rate method. Transaction costs related to the issuance of long-term debt are capitalized and amortized over the term of the instrument.

Cash and bank indebtedness are classified at fair value. Other financial instruments, including accounts receivable, sinking fund investment, accounts payable and accrued liabilities, and due to/from government/other government entities, are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

Use of estimates

The preparation of non-consolidated financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the non-consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring the use of management estimates include the assumptions used in the valuation of employee future benefits. Actual results could differ from these estimates.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

3. Accounts receivable

	2023					
			Past due			
	Total $	Current $	1–30 days $	31–60 days $	61–90 days $	Over 90 days $
Services to patients, residents and clients	14,014	1,330	3,773	2,760	861	5,290
Other	7,863	4,689	—	—	—	3,174
Gross accounts receivable	21,877	6,019	3,773	2,760	861	8,464
Less impairment allowance	4,309	—	—	—	—	4,309
Net accounts receivable	17,568	6,019	3,773	2,760	861	4,155

	2022					
			Past due			
	Total $	Current $	1–30 days $	31–60 days $	61–90 days $	Over 90 days $
Services to patients, residents and clients	12,744	1,236	4,450	2,909	877	3,272
Other	13,229	9,709	—	—	—	3,520
Gross accounts receivable	25,973	10,945	4,450	2,909	877	6,792
Less impairment allowance	3,751	—	—	—	—	3,751
Net accounts receivable	22,222	10,945	4,450	2,909	877	3,041

4. Due from government/other government entities

	2023 $	2022 $
Government of Newfoundland and Labrador	39,824	30,834
Other government entities	16,247	8,697
	56,071	39,531

Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. For the year ended March 31, 2023, Eastern Health has not recorded any impairment of receivables relating to the amounts above [2022 – nil].

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

5. Tangible capital assets

	Land and land improvements $	Buildings and improvements $	Equipment $	Construction in progress $	Total $
2023					
Cost					
Opening balance	**2,376**	**458,589**	**577,155**	**74,679**	**1,112,799**
Additions	**—**	**4,092**	**26,740**	**15,833**	**46,665**
Disposals	**—**	**—**	**(64)**	**—**	**(64)**
Closing balance	**2,376**	**462,681**	**603,831**	**90,512**	**1,159,400**
Accumulated amortization					
Opening balance	**4**	**224,193**	**508,449**	**—**	**732,646**
Additions	**—**	**9,790**	**20,571**	**—**	**30,361**
Disposals	**—**	**—**	**(22)**	**—**	**(22)**
Closing balance	**4**	**233,983**	**528,998**	**—**	**762,985**
Net book value	**2,372**	**228,698**	**74,833**	**90,512**	**396,415**

	Land and land improvements $	Buildings and improvements $	Equipment $	Construction in progress $	Total $
2022					
Cost					
Opening balance	2,446	433,800	570,709	71,461	1,078,416
Additions	—	23,981	14,185	3,218	41,384
Disposals	(70)	(592)	(7,739)	—	(8,401)
Closing balance	2,376	457,189	577,155	74,679	1,111,399
Accumulated amortization					
Opening balance	4	212,659	495,917	—	708,580
Additions	—	10,683	20,271	—	30,954
Disposals	—	(549)	(7,739)	—	(8,288)
Closing balance	4	222,793	508,449	—	731,246
Net book value	2,372	234,396	68,706	74,679	380,153

2023 opening balances of both cost and accumulated amortization for buildings and improvements have been restated by $1,399,721 due to the modified retroactive approach under Section PS 3280, asset retirement obligation.

Included within the construction in progress is an Energy Performance Contract valued at $ 28,878,626 [2022 - $27,988,591]

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

6. Operating facility

Eastern Health has access to a line of credit totaling $300,000,000 [2022 – $225,000,000] in the form of revolving demand loans and/or overdrafts at its financial institutions. As at March 31, 2023, Eastern Health had used $289,486,408 from its line of credit [2022 – $215,390,430]. Eastern Health's ability to borrow has been approved by the Province's Minister of Health and Community Services.

7. Accounts payable and accrued liabilities

	2023 $	2022 $
Accounts payable and accrued liabilities	**77,385**	74,671
Salaries and wages payable	**43,979**	40,540
Employee/employer remittances	**8,064**	6,872
	129,428	122,083

8. Due to government/other government entities

	2023 $	2022 $
Federal government	**14,347**	1,991
Government of Newfoundland and Labrador	**24,412**	22,372
Other government entities	**8,154**	6,419
	46,913	30,782

9. Deferred contributions

	2023 $	2022 $
Deferred capital grants [a]		
Balance as at beginning of year	**56,865**	52,933
Receipts during the year	**39,182**	45,316
Recognized in revenue during the year	**(46,525)**	(41,384)
Balance as at end of year	**49,522**	56,865
Deferred operating revenue [b]		
Balance as at beginning of year	**17,647**	16,881
Receipts during the year	**1,605,723**	1,535,330
Recognized in revenue during the year	**(1,582,745)**	(1,534,564)
Balance as at end of year	**40,625**	17,647

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

[a] Deferred capital grants represent transfers from government and other government entities received with associated stipulations relating to the purchase of capital assets, resulting in a liability. These grants will be recognized as revenue when the related assets are acquired or constructed, and the liability is settled.

[b] Deferred operating revenue represents externally restricted government transfers with associated stipulations relating to specific projects or programs, resulting in a liability. These transfers will be recognized as revenue in the period in which the resources are used for the purpose specified.

10. Long-term debt

	2023 $	2022 $
Sinking fund debenture, Series HCCI, 6.9%, to mature on June 15, 2040, interest payable semi-annually on June 15 and December 15 [the "Debenture"]	**130,000**	130,000
Canada Mortgage and Housing Corporation ["CMHC"] [Blue Crest Seniors Home], 8.0% mortgage, maturing in December 2025, repayable in blended monthly instalments of $7,777, secured by land and building with a net value of $2,184,036	**227**	299
CMHC [Golden Heights Manor Seniors Home], 10.5% mortgage, maturing in September 2027, repayable in blended monthly instalments of $7,549, secured by land and building with a net value of $9,590,281	**326**	380
CMHC [Golden Heights Manor Seniors Home], 1.12% mortgage, maturing in June 2023, repayable in blended monthly instalments of $19,480, secured by land and building with a net value of $9,590,281	**58**	289
Royal Bank of Canada, 6.99% interest rate, maturing August 2027, repayable in blended monthly payments of $597.	**27**	—
Royal Bank of Canada, 6.99% interest rate, maturing August 2027, repayable in blended monthly payments of $597.	**27**	—
Royal bank of Canada, 4.63% interest rate, maturing September 2027, repayable in blended monthly payments of $1,490.	**71**	—
	130,736	130,968

The semi-annual interest payments on the Debenture are $4,485,000. The semi-annual interest payments and mandatory annual sinking fund payments on the Debenture are guaranteed by the Government.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

Future principal repayments to maturity are as follows:

	$
2024	222
2025	178
2026	166
2027	109
2028	61
Thereafter	130,000
	130,736

11. Sinking fund investment

A sinking fund investment, established for the partial retirement of the Debenture *[note 10]*, is held in trust by the Government. The balance as at March 31, 2023 includes interest earned in the amount of $13,005,204 [2022 – $11,872,022]. The annual principal payment to the sinking fund investment until the maturity of the Debenture on June 15, 2040, is $747,500.

12. Non-consolidated statement of cash flows

	2023 $	2022 $
Accounts receivable	**4,654**	(2,337)
Supplies inventory	**684**	34,855
Prepaid expenses	**856**	2,089
Due from other entities	**(13,567)**	(463)
Accounts payable and accrued liabilities	**7,345**	(24,985)
Due from/to government/other government entities	**16,131**	(6,749)
Accrued vacation pay	**2,371**	7,000
Deferred operating revenue	**22,978**	766
	41,452	10,176

13. Trust funds

Trusts administered by Eastern Health have not been included in the non-consolidated financial statements as they are excluded from the Government reporting entity. As at March 31, 2023, the balance of funds held in trust for residents of long-term care facilities was $2,856,713 [2022 – $2,587,174]. These trust funds include a monthly comfort allowance provided to residents who qualify for subsidization of their boarding and lodging fees.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

14. Contingencies

A number of legal claims have been filed against Eastern Health. An estimate of loss, if any, relative to these matters is not determinable at this time, and no provision has been recorded in the accounts for these matters. In the view of management, Eastern Health's insurance program adequately addresses the risk of loss in these matters.

15. Contractual obligations

Eastern Health has entered into a number of multiple-year operating leases, contracts for the delivery of services and the use of assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. The table below relates to the future portion of the contracts:

	2024 $	2025 $	2026 $	2027 $	Thereafter $
Future operating lease payments	11,407	5,492	5,358	5,358	26,184
Managed print services	2,583	2,583	2,583	2,583	2,583
Vehicles	221	180	100	43	15
	14,211	8,255	8,041	7,984	28,782

16. Accrued severance pay

Eastern Health provides a severance payment to employees upon retirement, resignation, or termination without cause. In 2023, cash payments to retirees and eligible employees for Eastern Health's unfunded employee future benefits amounted to $4,057,948 [2022 – $824,568].

As of the end of fiscal 2020 only salaried physicians had severance benefits that had not been curtailed and settled. On May 3, 2022, the Newfoundland and Labrador Medical Association and Government of Newfoundland and Labrador signed a new contract that resulted in the curtailment and settlement of the severance benefits for salaried physicians. Salaried physicians with one or more years of service received a payout of their severance benefits based on their service and salary as at June 30, 2019. Payouts were expected to be made between July 1, 2022, and March 31, 2023. All salaried physicians had the option to defer payment but will not accrue any further severance benefits. At March 31, 2023, the value of the deferred severance payments for salaried physicians who selected to defer payment is $1,095,800.

Eastern Health had previously provided severance payments to other eligible employees. Due to changes in the collective agreements of the various unions in 2019, severance benefits accrued as of March 31, 2018, were paid out to eligible employees on or before March 31, 2020. All employees had the option to defer payment but will not accrue any further severance benefits. At March 31, 2023, the value of the deferred severance payments for employees who selected to defer payment is $1,346,031.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

17. Accrued sick leave

Eastern Health provides sick leave to employees as the obligation arises and accrues a liability based on anticipation of sick days accumulating for future use. In 2023, cash payments to employees for Eastern Health's unfunded sick leave benefits amounted to $8,466,103 [2022 – $8,239,516].

The most recent actuarial valuation for the accrued sick obligation was performed effective March 31, 2021 with an extrapolation to March 31, 2023.

The accrued benefit liability and benefit expense of the sick leave are outlined below:

	2023 $	2022 $
Accrued benefit liability, beginning of year	**69,868**	68,587
Benefits expense		
Current period benefit cost	**5,811**	5,837
Interest on accrued benefit obligation	**2,522**	2,265
Amortization of actuarial losses and gains	**1,271**	1,419
	79,472	78,108
Benefits paid	**(8,466)**	(8,240)
Accrued benefit liability, end of year	**71,006**	69,868
Current period benefit cost	**5,811**	5,837
Interest on accrued benefit obligation	**2,522**	2,265
Amortization of actuarial losses and gains	**1,271**	1,419
Total expense recognized for the year	**9,604**	9,521

The significant actuarial assumptions used in measuring the accrued sick leave benefit expense and liability are as follows:

Discount rate – liability	4.47% as at March 31, 2023 3.57% as at March 31, 2022
Discount rate – benefit expense	4.47% in fiscal 2023 3.57% in fiscal 2022
Rate of compensation increase	2.75% includes 0.75% for promotions and merit as at March 31, 2023 for NAPE, Management, and Non-Union employees and 3.50% includes 0.75% for promotions and merit at March 31, 2023 for all other employees. 3.50% includes 0.75% for promotions and merit as at March 31, 2022

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

18. Related party transactions

Eastern Health's related party transactions occur with the Government and other government entities. Other government entities are those who report financial information to the Government.

Transfers from the Government are funding payments made to Eastern Health for both operating and capital expenditures. Transfers from other related government entities are payments made to Eastern Health from the MCP and WorkplaceNL. Transfers to other related government entities are payments made by Eastern Health to long-term care facilities, Central Regional Health Authority, Labrador Regional Health Authority and Western Regional Health Authority. Transactions are settled at prevailing market prices under normal trade terms.

Eastern Health had the following transactions with the Government and other government entities:

	2023 $	2022 $
Transfers from the Government of Newfoundland and Labrador	**1,548,634**	1,512,752
Transfers from other government entities	**102,244**	87,348
Transfers to other government entities	**(102,260)**	(70,091)
	1,548,618	1,530,009

19. Financial instruments and risk management

Risks and uncertainties

Eastern Health is exposed to a number of risks as a result of the financial instruments on its non-consolidated statement of financial position that can affect its operating performance. These risks include credit risk and liquidity risk. Eastern Health's Board of Trustees has overall responsibility for the oversight of these risks and reviews Eastern Health's policies on an ongoing basis to ensure that these risks are appropriately managed. Eastern Health is not exposed to interest rate risk as the majority of its long-term debt obligations are at fixed rates of interest. The sources of risk exposure and how each is managed are outlined below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligation. Eastern Health's credit risk is primarily attributable to accounts receivable. Eastern Health has a collection policy and monitoring processes intended to mitigate potential credit losses. Management believes that the credit risk with respect to accounts receivable is not material.

Liquidity risk

Liquidity risk is the risk that Eastern Health will not be able to meet its financial obligations as they become due. In fiscal 2023, Eastern Health had an authorized credit facility [the "Facility"] of $300,000,000 [2022 – $225,000,000]. As at March 31, 2023, Eastern Health had $10,513,592 in funds available on the Facility [2022 – $9,609,570]. To the extent that Eastern Health does not believe it has sufficient liquidity to meet current obligations, consideration

[Tabular amounts in thousands of Canadian dollars]

will be given to obtaining additional funds through third-party funding or from the Province, assuming these can be obtained.

20. Final Budget

Eastern Health prepares an initial budget for a fiscal period that is approved by the Board of Trustees and the Government [the "Original Budget"]. The Original Budget may change significantly throughout the year as it is updated to reflect the impact of all known service and program changes approved by the Government. Additional changes to services and programs that are initiated throughout the year would be funded through amendments to the Original Budget, and an updated budget is prepared by Eastern Health. The updated budget [the "Budget"] amounts are reflected in the budget amounts as presented in the non-consolidated statement of operations and accumulated deficit. Budgeted figures included in the non-consolidated financial statements are not audited.

The Original Budget and the Budget do not include amounts relating to certain non-cash and other items including tangible capital asset amortization, the recognition of provincial capital grants and other capital contributions, adjustments required to the accrued benefit obligations associated with severance and sick leave, and adjustments to accrued vacation pay as such amounts are not required by the Government to be included in the Original Budget or the Budget. Eastern Health also does not prepare a full budget in respect of changes in net debt as Eastern Health does not include an amount for tangible capital asset amortization or the acquisition of tangible capital assets in the Original Budget or the Budget.

The following presents a reconciliation between the Original Budget and the final Budget as presented in the non-consolidated statement of operations and accumulated deficit for the year ended March 31, 2023:

	Revenue $	Expenses $	Annual deficit $
Original Budget	**1,591,446**	**1,624,575**	**(33,129)**
Adjustments during the year for service and program changes, net	**99,958**	**99,958**	**—**
Revised Original Budget	**1,691,404**	**1,724,533**	**(33,129)**
Final Budget	**1,691,404**	**1,724,533**	**(33,129)**

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

21. Expenses by object

This disclosure supports the functional display of expenses provided in the non-consolidated statement of operations and accumulated deficit by offering a different perspective of the expenses for the year. The following presents expenses by object, which outlines the major types of expenses incurred by Eastern Health during the year.

	2023 $	2022 $
Salaries	**879,705**	814,087
Supplies – other	**331,495**	340,412
Direct client costs	**232,272**	229,775
Employee benefits	**150,342**	152,382
Supplies – medical and surgical	**73,110**	71,213
Drugs	**75,580**	68,480
Amortization of tangible capital assets	**30,361**	30,954
Maintenance	**31,118**	24,819
Interest on long-term debt	**9,043**	9,053
Total expenses	**1,813,026**	1,741,175

22. Supplies inventory

	2023 $	2022 $
Supplies inventories	**21,906**	22,431
Pandemic inventories	**15,517**	15,676
	37,423	38,107

23. Asset retirement obligation

Asbestos obligation:
Eastern Health owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 Asset Retirement Obligations, Eastern Health recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at April 1, 2022. The buildings had an estimated useful life of 40 years when they were purchased prior to 1983 and are fully depreciated. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. The original buildings are recorded as tangible capital assets in the financial records of the Government of Newfoundland and Labrador and Eastern Health equipment disposal is handled by vendors as per contract.

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2023

24. Subsequent event

Effective April 1, 2023, the Provincial Health Authority was established through the Provincial Health Authority Act (RSNL2022 Chapter P-30.1). All title to property and assets as well as interests to real property and obligations and liabilities of the former regional health authorities (Eastern Health, Central Health, Western Health, Labrador-Grenfell Health) and Newfoundland and Labrador Centre for Health Information were transferred to the Provincial Health Authority trading as Newfoundland and Labrador Health Services. This was a recommendation of the Health Accord NL to ensure consistent and quality health care delivery across Newfoundland and Labrador.

Non-consolidated schedule of expenses for government reporting

[in thousands of Canadian dollars]

Year ended March 31

	2023	2022
	$	$
	[unaudited]	*[unaudited]*
Patient and resident services		
Acute care	**236,436**	224,333
Long-term care	**194,248**	183,378
Other patient and resident services	**19,506**	19,512
	450,190	427,223
Client services		
Community support programs	**297,787**	290,103
Mental health and addictions	**59,658**	54,413
Health promotion and protection	**25,982**	34,713
Family support programs	12	8
	383,439	379,237
Diagnostic and therapeutic		
Other diagnostic and therapeutic	**99,395**	93,574
Clinical laboratory	**72,217**	65,761
Diagnostic imaging	**65,877**	61,090
	237,489	220,425
Support		
Facilities management	**92,688**	81,447
Other support	**49,179**	44,971
Food services	**38,030**	34,591
Housekeeping	**41,544**	39,273
Laundry and linen	**10,586**	9,550
	232,027	209,832
Ambulatory care		
Outpatient clinics	**129,485**	108,710
Emergency	**45,468**	42,622
Dialysis	**20,085**	22,812
Other ambulatory	**15,149**	13,941
	210,187	188,085

Non-consolidated schedule of expenses for government reporting [cont'd]

[in thousands of Canadian dollars]

Year ended March 31

	2023	2022
	$	$
	[unaudited]	*[unaudited]*
Administration		
Other administrative	**39,294**	37,101
Systems support	**1,556**	1,132
Materials management	**25,943**	21,977
Human resources	**20,148**	18,371
Finance and budgeting	**12,915**	11,440
Executive offices	**12,544**	8,194
Emergency preparedness	**8,354**	49,024
	120,754	147,239
Medical services		
Physician services	**84,055**	75,395
Interns and residents	**26,884**	23,187
	110,939	98,582
Other		
Undistributed	**11,020**	6,361
Research and education		
Education	**18,942**	14,780
Research	**1,419**	1,372
	20,361	16,152
Interest on long-term debt	**9,043**	9,053
Total shareable expenses	**1,785,449**	1,702,189

Non-consolidated schedule of revenue and expenses for government reporting

[in thousands of Canadian dollars]

Year ended March 31

	2023	2022
	$	$
	[unaudited]	*[unaudited]*
Revenue		
Provincial plan	**1,512,846**	1,472,346
Medical Care Plan	**81,899**	72,916
Other	**58,984**	50,039
Resident	**17,110**	17,370
Inpatient	**12,518**	10,085
Outpatient	**10,296**	7,835
	1,693,653	1,630,591
Expenses		
Compensation		
Salaries	**879,705**	814,087
Employee benefits	**153,126**	144,350
	1,032,831	958,437
Supplies		
Other	**331,495**	340,412
Medical and surgical	**73,110**	71,213
Drugs	**75,580**	68,480
Plant operations and maintenance	**31,118**	24,819
	511,303	504,924
Direct client costs		
Community support	**227,011**	224,658
Mental health and addictions	**5,261**	5,117
	232,272	229,775
Lease and long-term debt		
Long-term debt – interest	**9,043**	9,053
Long-term debt – principal	**1,120**	1,090
	10,163	10,143
	1,786,569	1,703,279
Deficit for government reporting	**(92,916)**	(72,688)
Long-term debt – principal	**1,120**	1,090
Deficit before non-shareable items	**(91,796)**	(71,598)

Non-consolidated schedule of revenue and expenses for government reporting [cont'd]

[in thousands of Canadian dollars]

Year ended March 31

	2023	2022
	$	$
	[unaudited]	*[unaudited]*
Adjustments for non-shareable items		
Provincial plan capital grant	**37,070**	34,905
Other capital contributions	**9,455**	6,479
Amortization of tangible capital assets	**(30,361)**	(30,954)
Interest on sinking fund	**1,133**	833
Accrued severance pay	**6,293**	249
Accrued sick leave	**(1,138)**	(1,281)
Accrued vacation pay	**(2,371)**	(7,000)
	20,081	3,231
Annual deficiency (surplus) as per non-consolidated statement of operations and accumulated deficit	**(71,715)**	(68,367)

Non-consolidated schedule of capital transactions funding and expenses for government reporting

[in thousands of Canadian dollars]

Year ended March 31

	2023 $ *[unaudited]*	2022 $ *[unaudited]*
Revenue		
Deferred grants – previous year	**56,865**	52,933
Provincial plan	**35,037**	39,901
Department of Transportation and Infrastructure	**751**	505
Foundations and auxiliaries	**5,531**	5,075
Other	**3,685**	492
Transfer from operations	**2,294**	1,500
Transfer to other regions	**(2,745)**	(571)
Transfer to operations	**(5,371)**	(1,586)
Long term debt, Royal Bank of Canada	**140**	—
Deferred grants – current year	**(49,522)**	(56,865)
	46,665	41,384
Expenses		
Equipment	**26,490**	14,185
Buildings	**4,092**	23,981
Construction in progress	**15,833**	3,218
Vehicles	**110**	—
Vehicles funded by LTD	**140**	—
Disposal of vehicle	**(42)**	—
Disposal of building and land	**—**	(113)
	46,623	41,271
Surplus on capital transactions	**42**	113

Non-consolidated schedule of accumulated deficit for government reporting

[in thousands of Canadian dollars]

As at March 31

	2023 $ *[unaudited]*	2022 $ *[unaudited]*
Assets		
Current assets		
Cash	**1,737**	—
Accounts receivable and due from government and other government entities	**73,975**	65,062
Supplies inventory	**37,423**	38,107
Prepaid expenses	**24,791**	25,647
	137,926	128,816
Liabilities		
Current liabilities		
Bank indebtedness	**—**	11,223
Operating facility	**289,486**	215,390
Accounts payable and accrued liabilities and due to government and other government entities	**176,341**	152,865
Deferred revenue – operating revenue	**40,625**	17,647
Deferred revenue – capital grants	**49,522**	56,865
	555,974	453,990
Accumulated deficit for government reporting	**(418,048)**	**(325,174)**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